

## FISCAL IMPACT OF PROPOSED LEGISLATION

79th Oregon Legislative Assembly – 2017 Regular Session  
Legislative Fiscal Office

Measure: SB 845 - A

***Only Impacts on Original or Engrossed  
Versions are Considered Official***

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Date: 5/10/2017

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### **Measure Description:**

Changes distribution of moneys collected by Department of Revenue from tax imposed on retail sale of marijuana items.

### **Government Unit(s) Affected:**

Department of Administrative Services (DAS), Oregon Liquor Control Commission (OLCC), Department of Revenue (DOR), Legislative Revenue Officer (LRO), Legislative Fiscal Office (LFO), Department of Education (ODE), Oregon State Police (OSP), Oregon Health Authority (OHA), Higher Education Coordinating Commission (HECC), Community Colleges, School Districts, Education Service Districts, Counties, Cities

### **Analysis:**

Senate Bill 845 requires the Department of Administrative Services (DAS) to prepare a quarterly Marijuana Tax revenue forecast and report this estimate to the Legislative Revenue Officer (LRO), the Legislative Fiscal Office (LFO), and the Department of Revenue (DOR). The Oregon Liquor Control Commission (OLCC) and DOR are directed to provide DAS with any necessary information for preparing the quarterly revenue forecast.

In addition, current law provides for marijuana tax revenue collected to be used to pay administrative and enforcement expenses associated with the marijuana tax collection program, and the implementation of the Control, Regulation, and Taxation of Marijuana and Industrial Hemp Act, with the remainder being deposited into the Oregon Marijuana Account. This bill revises the dedication of moneys deposited into the Oregon Marijuana Account as follows:

- 10% to cities that do not have ordinances prohibiting the production, processing, or sale of marijuana;
- 10% to counties that do not have ordinances prohibiting the production, processing, or sale of marijuana. The bill requires cities and counties to certify with OLCC that it does not have ordinances prohibiting the production, processing, or sale of marijuana;
- 30% to the State School Fund;
- 20% to the Mental Health Alcoholism and Drug Services Account;
- 15% to the State Police Account;
- 10% to the Community College Support Fund; and
- 5% to be used for purposes related to alcohol and drug abuse prevention, early intervention, and treatment services.

According to the Legislative Revenue Office, the amount of money in the Oregon Marijuana Account available for distribution is projected to be \$78.56 million for the 2015-17 biennium, \$94.93 million for the 2017-19 biennium, and \$103.20 million for the 2019-21 biennium. Expenditure limitation and position authority needed for affected state agencies to expend the 2017-19 distributed funds, will be addressed in each agency appropriation bill or in the end of session omnibus bill.