



SB 365: Opposing SDC exemptions for Marijuana Business Owners

Testimony for Senate Business – Robert Sisk – 2.28.2019

Senate Bill 365 would prevent local governments from assessing System Development Charges (SDCs) on marijuana operations. We can't understand why this one business would be exempted from the same charges that every new home, school and other business must pay.

This would deprive local governments of much needed revenue from this industry while other local businesses, and even schools, have been paying these charges to support such necessary infrastructure as schools, fresh water systems, transportation, parks, storm water and sewer systems so vital to a community and from which these business operations would benefit and which they would impact.

It is an Oregon value of fairness that all businesses pay their way in a community, especially when they individually benefit from such infrastructure. It is also blatantly unfair to other businesses and other operations – particularly their competitors – who have already paid their SDC's and contributed to the maintenance and development of healthy communities and counties. Further, as this relatively new industry continues to grow, there is no telling how significant the lost revenue from this exemption may be for local governments in the future.

In Silverton, for example, according to the city finance office, it is possible for greenhouse marijuana operations to be built within the city limits. Since they would impact infrastructure financed by SDCs, they should contribute to it, whether they are a fragile or profitable business. We are also at a stage where this new industry needs more oversight and regulation, not less, especially when it comes to the physical and financial health and welfare of our communities.

Passing this bill would surely cause other businesses and entities to also argue for SDC exemptions, putting vital local infrastructure at risk of adequate funding.

Please do not move this bill forward.

- 1) For the sake of adequate funding for our local government infrastructures and to ensure their proper maintenance and development,
- 2) As a matter of basic fairness,
- 3) As a matter of prudence to protect against other businesses making the same ask.

Like other businesses, this relatively new industry must develop in a responsible way. Please let this bill die in this committee.

We read the bills and follow the money