



City of Ontario

Office of the Mayor

Riley J. Hill, Mayor

444 SW 4<sup>th</sup> Street

Ontario, OR 97914

Fax (541)889-7121

[Ontariooreonmayor@gmail.com](mailto:Ontariooreonmayor@gmail.com)

March 27, 2019

Chair Lively and Members of the House Committee on Economic Development,

Thank you for this opportunity to speak to you regarding House Bill 3096. This additional traffic on an already strained community will tax our law enforcement, road system, schools, and emergency responders. The Oregon - Idaho High Intensity Drug Trafficking Area 2018 Assessment of Cannabis Production, Distribution, and Consumption identified the local impacts associated with more widespread legalization of marijuana. The data in Oregon is not deep yet because legalization is still new; however, in Oregon their findings include:

- By 2017, 6.7% of 8<sup>th</sup> graders and 20.9% of 11<sup>th</sup> graders self-reported using cannabis in the last 30 days
- The rate of cannabis related emergency department visits increased from 3.4 per 1,000 to 6.3 per 1,000
- Traffic fatality data indicates there was a 50% increase in motor-vehicle involved pedestrian fatalities between 2013 and 2016
- From 2014 to 2016, statewide totals of Drug Recognition Expert Examinations resulted in an increase of 66.28% in cannabis impaired opinions

The Rocky Mountain High Intensity Drug Trafficking Area is composed of Colorado, Utah, Wyoming, and Montana. Marijuana has been legalized longer in Colorado so there is more solid data available on the impacts. Some of their 2018 findings on the legalization of marijuana in Colorado were as follows.

- Since marijuana legalization, marijuana traffic related deaths increased 151%
- Since legalization, traffic deaths involving drivers testing positive for marijuana more than doubled from 55 in 2013 to 138 in 2017
- In 2017, 42% of drivers and 50% of operators involved in traffic deaths tested positive for drug impairment

- 69% of self-identified marijuana users admit to driving after having consumed marijuana
- Comparing the three year average prior to recreational legalization, at the time of survey, use in the past month increased 45% above the three year average
- Colorado past month marijuana use for ages 12 and older is ranked 3<sup>rd</sup> in the nation and is 85% higher than national average
- College age marijuana use increased 18% after legalization and is 60% higher than the national average
- Use of marijuana by youth increased by 5% post legalization
- The number of highway seizures of Colorado marijuana increased 39 percent from an average of 242 seizures in 2013 pre-legalization to 336 seizures post-legalization
- There has been a 63% increase in Task Force marijuana related Felony arrests
- Property and violent crimes increased substantially

Studies and feedback from school administrators have shown that where marijuana is legal, it has a greater presence in school and greater usage amongst youth. Most often the product is taken from parents who legally purchased it under a medical license or who use recreationally. We know that it will have a greater prevalence in our schools, which will require more resources to address.

I mention these statistics, not to vilify the use of marijuana, but to emphasize the impact it will have on municipal, county, education, and emergency services. The citizens of Ontario have chosen to have dispensaries in the City and we are respecting their wishes. The data shows, however, that our law enforcement, firefighters, and paramedics will respond to more calls because of impaired driving. We already have difficulty responding to our existing call volume because of the influx of people coming to work, shop, and recreate in our community.

A marijuana retailer told us that, on average, a customer spends \$112 per visit. We anticipate sales around \$29,000,000 in our community which would make, on average, 258,929 transactions. If we use a conservative estimate of 30% of the customers ride sharing to the dispensaries that is still 181,250 annual additional trips through Ontario, or almost 500 additional trips per day. Undoubtedly that will increase the number of accidents and wear and tear on our roads.

The state revenue sharing formula is imbalanced for a border city to a state with a large metropolis that does not have access to legal cannabis. The local revenue share of state collected taxes is based 75% on population and 25% on the number of dispensaries. Ontario will only be credited for our 11,470 residents; however we will be the market for the Boise metropolitan population of over 700,000. We will be receiving a disproportionate share of the

taxes paid from dispensaries in Ontario and collected and shared back to Ontario by the State of Oregon. This bill will remedy that flaw.

Our city recognizes that in all likelihood, marijuana legalization will be normalized by either the federal government or one state at a time. The economic impacts of state taxation and state social policy make the difference of communities that are only separated by a river very stark. Our competitive disadvantages have impoverished our community over the last 20 years.

We intend to use this additional revenue to first of all address any public safety services which are already scarce and to prepare for additional demand. We also intend to use the additional revenue to pay down our city PERS obligation. Lastly, we hope to use the revenue to invest in our community infrastructure, that is to say streets, parks, recreational amenities, downtowns, etc... so that when the revenue dissipates we are better poised to be an attractive option for new residents.

We respectfully ask for your support on this important legislation for Ontario. This bill will change the course of Ontario for the better and for the long-term.

Very Sincerely,

A handwritten signature in black ink, appearing to read "Riley J. Hill". The signature is fluid and cursive, with a large initial "R" and "H".

Riley J. Hill  
Mayor