

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
81st Oregon Legislative Assembly
2021 Regular Session
Legislative Revenue Office

Bill Number:	HB 3295 - 4
Revenue Area:	Marijuana Revenue
Economist:	Mazen Malik
Date:	05-25-2021

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

Measure Description:

Modifies city and county eligibility requirements for transfer of moneys from marijuana revenue.

Revenue Impact:

There is no new revenue generated by the measure, only a redistribution of existing revenue. The change in the distributions between counties, where, in a typical biennium, \$376,880 will be taken from the total county share and be redistributed to Deschutes county. Other counties will experience a reduction relative to their distribution percentage of that amount.

Impact Explanation:

The counties receive 10 percent of total Marijuana revenue. However, Measure-110 of 2020 limits that amount to \$9 million a biennium. The distribution formula to the different counties is based on the number of Marijuana businesses in each county. Twenty counties allow marijuana businesses to operate and receive a portion of the marijuana revenues relative to the number of businesses in each of those counties. Accordingly, under the “-1” amendment Deschutes county, which continues to have existing businesses, will be again eligible to receive funds from the formula distribution. If the number of businesses in all counties don’t change, the current proportions will be reevaluated to include Deschutes county numbers. That will give Deschutes county 4.19% of the total county share. That share comes to \$376,880 in a typical biennium. Since the total county amount is fixed by current law (M-110), any change in that number is dependent on the change in proportions relative to the total number of businesses in all counties.

Creates, Extends, or Expands Tax Expenditure: Yes No