

June 10, 2021

Testimony Submitted by Anthony Taylor, Legislative Director, Compassionate Oregon in Support of SB 147 & HB 2445.
Enacts express sunset for exemption of medical marijuana registry cardholder or primary caregiver from tax imposed on retail sale of marijuana items

Good Evening, Co-Chair Burdick, Co-Chair Natanson, members of the committee, thank you for the time today to provide the committee with a few brief comments.

For the record my name is Anthony Taylor, legislative director for Compassionate Oregon. In the spirit of full transparency, I also serve as the Chair of the Oregon Cannabis Commission. My comments here today are only those of Compassionate Oregon and not of the Commission. I am here today in support of SB 157 & HB 2445, extending the tax exemption for OMMP patients and cardholders on retail cannabis purchases.

Since the tax exemption began in October 2016, and until the pandemic hit, OLCC Recreational Market Data shows OMMP patient and caregiver purchases held steady around \$5.8M in monthly sales or approximately \$70M annually. When the pandemic hit in 2020, monthly sales began to climb and by April jumped from the average monthly sales of \$5.8M to \$8.7M. By May monthly sales were \$11.5M and peaked in July at \$12.3M. The monthly average for 2020 was \$9M or \$108M annually and current sales continue to show some small growth at approximately \$9.1M per month, January through May.

With state and local tax combined adding another 20% to the cost of retail cannabis flower and products, were this exemption not in place, patients and caregivers would have paid nearly \$22M more in 2020 for their cannabis. 60% of our OMMP patients qualify for state and federal assistance programs meaning little left in the budget for a 20% increase in the cost of cannabis products. We know the committee supports safe and affordable access to cannabis for those using cannabis medicinally and look forward to the committee's support in continuing this important exemption for OMMP patients and caregivers moving forward.

I am happy to answer any questions the committee may have.

Thank you.