



SB 1506: Marijuana Tax Increase for Local Jurisdictions

Testimony for the Senate Committee on Finance and Revenue—2.07.2022

Presented by Maureen Barnhart on behalf of Tax Fairness Oregon

By 58% of the vote, Oregonians approved the Drug Abuse Treatment and Recovery Act and determined that the community will support treating addiction through health services, rather than through incarceration. Measure 110 decriminalized small amounts of drugs and redirected the bulk of cannabis tax revenue to a Drug Treatment and Recovery Services fund, creating a significant new funding stream to treat substance abuse. Next year the treatment community will receive \$270M of marijuana revenue. Unfortunately, funding from the community services is still needed.

Even if Oregon were the best in the country for providing addiction services, there would still be needs for police, courts, mental and physical health, and housing services for this population. Just because funding becomes available doesn't mean that everyone suddenly becomes sane, sober and self-sufficient. Local funding is still imperative.

We support this common sense solution to the defunding of county and city services that Measure 110 brought about. If every county were to increase its marijuana taxes by the full 7%, they will have \$84 million in increased funding to help fill the hole created by Measure 110, according to recent reports on marijuana sales.*

To see how your county or counties would fare under this legislation if the local jurisdictions enact the full 7% increase, use the thumbnails in the green charts at the top of this page from the *Portland Business Journal*. Just multiply revenue by 7%.

Oregon voters have agreed on this model of decriminalization, and it is right to support these efforts without loss of revenue to the local entities.

* https://www.bizjournals.com/portland/news/2022/01/04/2021-oregon-county-cannabis-sales.html?utm_source=st&utm_medium=en&utm_campaign=EX&utm_content=po&ana=e_po_EX&j=26565150&senddate=2022-02-01

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