

Submitter: Matthew Nelson

On Behalf Of:

Committee: House Committee On Economic Development and Small Business

Measure: HB2505

Chair Bynum, Vice Chair's Nguyen and Morgan, and members of the committee:

As a small business owner, I'm asking you to oppose HB 2505, which would have catastrophic impacts on businesses like mine across Oregon.

I own an OLCC Wholesale license so that I can trim flowers for multiple OLCC Producers. The price compaction that the OLCC Rec. market is experiencing is affecting mine and all those that I work with drastically already. For the most part, owners in the industry are just able to scrape by. Adding higher taxes will push more individuals to not buy from dispensaries and get their cannabis elsewhere, hurting our businesses even more.

We all work and live in small and large communities that we care deeply about, and we want our cities and counties to be able to perform the valuable services necessary for safe and thriving communities. We hope there is a better solution to solve the funding problems than that proposed in HB 2505.

By increasing the maximum tax on marijuana, we would be indirectly fueling the illegal market and pushing consumers to untested marijuana products.

Oregon's legal cannabis sector is extremely distressed and volatile. Our licensees compete with an illegal market, don't have access to financial services, pay unusual security costs, can't deduct business expenses from federal taxes, and face numerous, unique regulatory burdens. Of note, our members were also ineligible for federal Covid assistance. Wildfires, vandalism and robberies have also impacted our members financially with little assistance from outside funding sources.

Our industry cannot withstand any increases in taxes or additionally burdensome regulations.

Please vote NO on HB2505.