



January 31, 2023

House Committee on Economic Development and Small Business
Oregon State Legislature
900 Court St., NE, Salem, OR 97301

Submitted via electronic mail

Chair Bynum, Vice-chair Morgan and Nguyen, and Members of the Committee:

The City of Bend and Deschutes County supports House Bill 2505 (HB 2505).

HB 2505 allows a city or county to increase the maximum percentage of the local tax imposed on the sale of marijuana items from the current cap of 3% to 10%. If approved by local voters, the City of Bend would receive 80% of the revenues generated from the tax increase while Deschutes County would receive 20% of the revenue generated from the additional 7% tax.

It's important to note, as marijuana users across the state has greatly increased, so too have accompanying public services costs. Revenues raised from the tax would go into the City and County's General Funds to offset the increase in costs. If passed, Oregon's effective tax rate on marijuana products will remain lower than Washington's and California's even if local governments imposed the full 10% allowed under this measure.

The City of Bend and Deschutes County thank you for the consideration of this bill and urge you to pass it.

Respectfully,

DocuSigned by:
Eric King
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Eric King
City Manager
City of Bend

DocuSigned by:
Nick Lelack
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Nick Lelack
County Administrator
Deschutes County