



The Cannabis Industry Alliance of Oregon
contact@ciaoforegon.org

CIA of Oregon Petition

No New Cannabis Taxes - Oppose HB 2505

Dear Chair Bynum and the Members of the House Committee on Economic Development and Small Business,

We, the undersigned, ask that you do not allow HB 2505 to move forward.

Allowing localities to raise the total retail sales tax to 27% will create a patchwork quilt of confusing policies across multiple jurisdictions for companies, while consumers in most places will simply drive to the next nearest locale to purchase cheaper cannabis. Oregon's cannabis consumers are very price-conscious, and a large portion are low-income. HB 2505 is regressive.

An increase in taxes will alienate our government-constrained consumer base and will devastate an already unstable industry. Many Oregonians cannot tolerate an increase in the cost of legal cannabis and will move back to the illicit market, which is an untaxed, underpriced, untested, and unregulated market - potentially bringing their coworkers, friends, and family with them. HB 2505 jeopardizes public health.

The ripple effects up and down the license types will pick up momentum at every stop along the way - ultimately landing on the beleaguered growers, who already serve as the bank and consignment shop for the entire supply chain. Cannabis licensees have gone above and beyond to comply with a massive amount of state and federal regulations. And even while hanging on for dear life as uncapped, under-supported small businesses, in just six years have created a billion-dollar industry and generated approximately 20,000 jobs. HB 2505 undermines economic growth.

This bill would create a regressive sales tax designed to cater to special government interests, on the backs of law-abiding, Oregon-grown, small businesses and their limited, legal consumers. HB 2505 punishes Oregonians who are acting legally.

We ask that oppose HB 2505 and do not allow it to move forward.

Sincerely,

The undersigned cannabis industry licensees, consumers, and supporters.

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