



February 7, 2023

House Committee on Revenue
Oregon State Legislature
900 Court St. NE, Room 160
Salem, OR 97301

RE: City of Beaverton Supports HB 2089

Dear Chair Nathanson, Vice-Chairs Reschke and Walters, and Members of the Committee:

The City of Beaverton appreciates the opportunity to share its support of HB 2089, which adjusts the allocation of marijuana tax revenue to cities. The passage of Ballot Measure 110 (2020) provided important funding for critical addiction recovery services; at the same time, the measure reduced the distribution of marijuana revenue to cities and counties, lessening our ability to pay for essential public health and safety services.

For Fiscal Year 2022, the City of Beaverton saw a 66% decrease from pre-Measure 110 levels, which is roughly equivalent to 1.5 police patrol positions.

While marijuana tax revenue is a relatively small slice of overall local revenue for Beaverton, the current loss of marijuana tax revenue could not come at a worse time. City finances are already stressed due to the COVID-19 pandemic. Cities' limited revenue streams have taken a hit, as community needs have only grown. The loss of funding due to Measure 110 has constrained the services our residents rely upon and further exacerbated the city's projected \$7-9 million budget shortfall for Fiscal Year 2023-24.

We encourage your support of HB 2089 to improve the marijuana revenue distribution formula for cities and backfill lost revenue. Please feel welcome to contact me for additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Jenny Haruyama". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Jenny Haruyama, City Manager