

## IMPACT STATEMENT

**Legislation title:** \*Amend fee schedule for Marijuana Policy Program to cover costs of administration. (Ordinance; amend Portland Policy Document ADM-20.01)

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### **Purpose of proposed legislation and background information:**

On September 30<sup>th</sup>, 2016, Council adopted Ordinance No. 187259, adding license procedures and requirements for marijuana businesses to Portland City Code Chapter 14B.130, to reasonably regulate the marijuana industry and provide mechanisms for communicating with state agencies about siting of marijuana businesses. Council also adopted a fee schedule on September 30, 2015 outlining application and license fees based on a cost recovery model for the Marijuana Policy Program. Initial projections of numbers of licenses received by the City were low confidence estimates. It was communicated to Council at that time that the fee schedule would likely need to be adjusted to appropriately reflect actual license applicants in the evolving landscape of the Marijuana industry in Portland.

Marijuana Retailers, which were anticipated to carry the cost of the program, will not be issued until October of 2016 due to the timing of recreational licensing at the state level. Additionally, the number of licenses will be less than initially anticipated due to the passage of Senate Bill 460 which allows Medical Dispensaries to act as the recreational market in making limited quantities of marijuana available to recreational consumers. The recommended amendment to the fee schedule increases costs across all license types and reduces the application fee for renewal of the annual regulatory license in order to cover the cost of administering the program.

### **Financial and budgetary impacts:**

The increased fees will increase the financial impact to all Marijuana Businesses in Portland Oregon.

### **Community impacts and community involvement:**

Portland City Council initiated the Marijuana Policy Program to provide oversight to the development of the Marijuana Industry in Portland. The recommended amendment ensures that the Marijuana Policy Program has funding to meet the expectations of the Portland community and City Council in applying regulations, developing policy, and initiating reasonable enforcement.

**Budgetary Impact Worksheet**

**Does this action change appropriations?**

**YES:** Please complete the information below.

**NO:** Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount