

CITY OF PORTLAND PROPOSED TAX ON RECREATIONAL MARIJUANA SALES

Claire Adamsick – Senior Policy Advisor, Office of Commissioner Amanda Fritz

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Proposed Amendments to 6.07

- Reduce the tax from 10 percent to 3 percent
- Update definitions of terms to reflect language used in state statute
- Clarify exemption for sales to medical marijuana cardholders
- Allow the City to enter into an Intergovernmental Agreement with the State to administer the tax, once the State's program has been established
- Identify primary City services for allocation on an annual basis through City's public budget process



Proposed Amendments to 5.04

New Section 5.04.515: Establish a Recreational Marijuana Tax Fund to manage revenues



State Statute on Local Tax Amended by 2016 Oregon Legislature

Local tax or fee; referral to electors for approval (475B.345)

- Except as authorized by section 475B.345, only the State Legislature has the authority to impose a tax or fee on the production, processing or sale of marijuana items
- Governing body of a city or county may adopt an ordinance to be referred to the electors of the city or county that imposes a tax or a fee on the sale of marijuana items that are sold in the area subject to local jurisdiction
- City or County approval -> referral to next statewide general election (November 2016)
- May not exceed three percent
- Exemption on sales to OMMP Cardholders and Designated Caregivers



Proposed Allocations

Determined in Annual Public Budget Process

- Drug and alcohol education and treatment programs
 - Services that facilitate or increase access to drug and alcohol education
 - Programs that support rehabilitation and employment readiness.
- Public safety
 - Police DUII training and enforcement
 - Support for firefighter paramedics
 - Street infrastructure projects that improve safety
 - Other initiatives to reduce impacts of drug/alcohol abuse.
- Support for small businesses
 - Focus on women-owned and minority-owned businesses
 - Business incubator programs
 - Management and job training opportunities

