

## Measure Explanatory Statement for County Voters' Pamphlet

**Important! Please read all instructions before completing this form.** This form is to be used when filing a 'Measure Explanatory Statement for County Voters' Pamphlet' with your County Elections office. If a local government is located in more than one county, the county clerk of the county in which the city hall of the city or the administrative office of the local government is located shall be the filing officer for the 'Measure Explanatory Statement for County Voters' Pamphlet'.

### Filing Information

Election:  Primary 20\_\_\_\_  General 20<sup>16</sup>\_\_\_\_  Special\_\_\_\_ Measure #\_\_\_\_ - \_\_\_\_

Ballot Title Caption

Establish tax on recreational marijuana sales; dedicate purposes for funds

Name of Person responsible for content of 'Explanatory Statement' (as it should appear in the Voters' Pamphlet):

Commissioner Amanda Fritz

Name of Jurisdiction/Organization Person is authorized to represent (as it should appear in the Voters' Pamphlet):

City of Portland

### CONTACT INFORMATION

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### SIGNATURE

Amanda Fritz

8/12/16

Signature of person responsible for content of 'Explanatory Statement'

Date

### MEASURE EXPLANATORY STATEMENT

See attached for 'Measure Explanatory Statement' (500 word/number MAX).

#### For Office Use only:

County: \_\_\_\_\_

Signed?  Yes  No

'Measure Explanatory Statement' attached?

Yes  No

Intake Staff Initials:

Word Count (500 max):

Digital copy?  Yes  No

Review Staff Initials:

Measure establishes a tax of three percent on recreational marijuana sales within the City of Portland. Sales of medical marijuana to Oregon Medical Marijuana Program (OMMP) cardholders would be exempt from this tax.

In November, 2014, Oregon voters approved Measure 91, legalizing the sale and consumption of marijuana, and allowing local governments a limited scope of regulatory authority over licensed premises that grow, produce, sell, and transfer marijuana and marijuana items.

The 2015 Oregon Legislature allowed for local jurisdictions to seek voter approval for a local tax of up to three percent on recreational sales at a general election. The current state tax on recreational marijuana sales is 25%, but this will drop to 17% beginning January 1, 2017. If a three percent local tax is approved, it will result in a total tax of 20% to businesses for recreational marijuana sales.

Currently, one tenth of state tax revenues after costs are distributed to cities for enforcement of Measure 91. The City of Portland's Marijuana Policy Program was established by Council in November 2014 to oversee marijuana business licensing and compliance and address community and industry concerns, and its costs are covered by license and application fees.

In its resolution referring this ballot measure, the Portland City Council recognized that voters' approval of Measure 91 indicated a desire for the safe integration of a legitimate and regulated marijuana industry into the community that allows the industry to operate while also ensuring that public safety and livability are maintained and protected.

The funds collected from the tax on recreational marijuana sales, which are estimated to be \$3 million per year, shall be dedicated for the purposes of:

- Drug and alcohol education and treatment programs, including but not limited to services that increase access to these programs and programs that support rehabilitation and employment readiness
- Public safety investments to reduce impacts of drug and alcohol abuse such as police DUII training and enforcement, support for firefighter paramedics, street infrastructure projects that improve safety, other initiatives to reduce the impacts of drug and alcohol abuse
- Support for neighborhood small businesses, especially women-owned and minority-owned businesses, including but not limited to business incubator programs, management training, and job training opportunities; and providing economic opportunity and education to communities disproportionately-impacted by cannabis prohibition

The tax on recreational marijuana sales would be subject to independent City Budget Office oversight, annual public reporting, an annual City Council vote on allocation, and periodic audits on the use of funds by the City Auditor or an independent contractor.