

Marijuana Business Update

Status of Marijuana Facilities in Oregon City

June 12, 2018

Marijuana Business Update

- Legislative Background
- Local Regulations
- Licensed Retail Facilities
- Tax Revenues
- Discussion

Marijuana in Oregon: State resources by topic

Types of common questions and suggested state resources to refer to for information.

HEALTH <ul style="list-style-type: none">• Product Testing• Concentration Limits• Labeling• Youth Prevention AGENCY: Oregon Health Authority	POSSESSION <ul style="list-style-type: none">• Packaging• What's legal?• Minor in Possession decoy operations AGENCY: Oregon Liquor Control Commission	PUBLIC SAFETY <ul style="list-style-type: none">• Nuisance complaints• DUII / field sobriety tests• Enforcement at unlicensed locations AGENCY: Local law enforcement and Oregon State Police
AGRICULTURE <ul style="list-style-type: none">• Pesticides• Weights and measures• Food safety• Agricultural water quality• Industrial hemp AGENCY: Oregon Department of Agriculture	HAVE A QUESTION? 	RECREATIONAL MARIJUANA <ul style="list-style-type: none">• Industry licensing• Cannabis Tracking System• Marijuana worker permits• Enforcement of licensed locations AGENCY: Oregon Liquor Control Commission
TAXATION <ul style="list-style-type: none">• Filing tax returns• Tax payment options• Revenue reporting and distributions• State tax deductions• Payroll taxes and employee withholding AGENCY: Oregon Department of Revenue	MEDICAL MARIJUANA <ul style="list-style-type: none">• Medical Marijuana Cardholder Registry (patient, caregiver & grower)• Medical Marijuana Registration (grower, processor, dispensary)• Inventory reporting• Registered locations enforcement AGENCY: Oregon Health Authority	MORE INFORMATION <ul style="list-style-type: none">• whatslegaloregon.com• marijuana.oregon.gov

Oregon Liquor Control Commission:

Regulates the sale of recreational marijuana in Oregon. Works with local law enforcement and State Police to enforce the law.

ph: 503 872 5000
marijuana.oregon.gov

Oregon Health Authority:

Oversees the medical marijuana cardholder registry for patients and regulates medical marijuana dispensaries, processors and grow sites.

ph: 971 673 1234
healthoregon.org/ammp

Oregon Department of Agriculture:

Administers many programs that affect agriculture producers and processors. Programs could also affect cannabis production, processing, wholesale, and retail activities.

ph: 503 986 4550
bit.do/CannabisODA

Oregon Department of Revenue:

Administers Oregon tax laws and collects taxes for more than 30 programs, including the recreational marijuana program.

ph: 503 947 2597
oregon.gov/dor/marijuana

Legislative Background

- State of Oregon
 - November 1998 – Voters legalized medical marijuana (Measure 67)
 - November 2014 – Voters legalized recreational marijuana (Measure 91)
 - 2015 - 2016 – Oregon Legislature clarified laws
 - Authorized transitional sales periods
 - Revised tax structure
 - Established guidelines
 - January 2017 – Program fully implemented (licensing and sales)



Legislative Background

- Oregon City
 - November 2015 – City preliminarily prohibited facilities
 - City Commission called for local elections (required)
 - October 2016 – Time, place and manner guidelines adopted
 - Significant review by Planning and City Commissions
 - Public process (surveys, open house, public hearings)
 - November 2016 – Oregon City voters approved businesses and imposed local tax



Local Regulations

- OCMC 3.06 – Tax on Recreational Marijuana Sales
 - Oregon Department of Revenue
 - Confidentiality clause
- OCMC 17.54.110 – Marijuana Businesses
 - Location restrictions
 - Prohibitions on home, outdoor, mobile and drive-through businesses
 - Odor and disposal standards



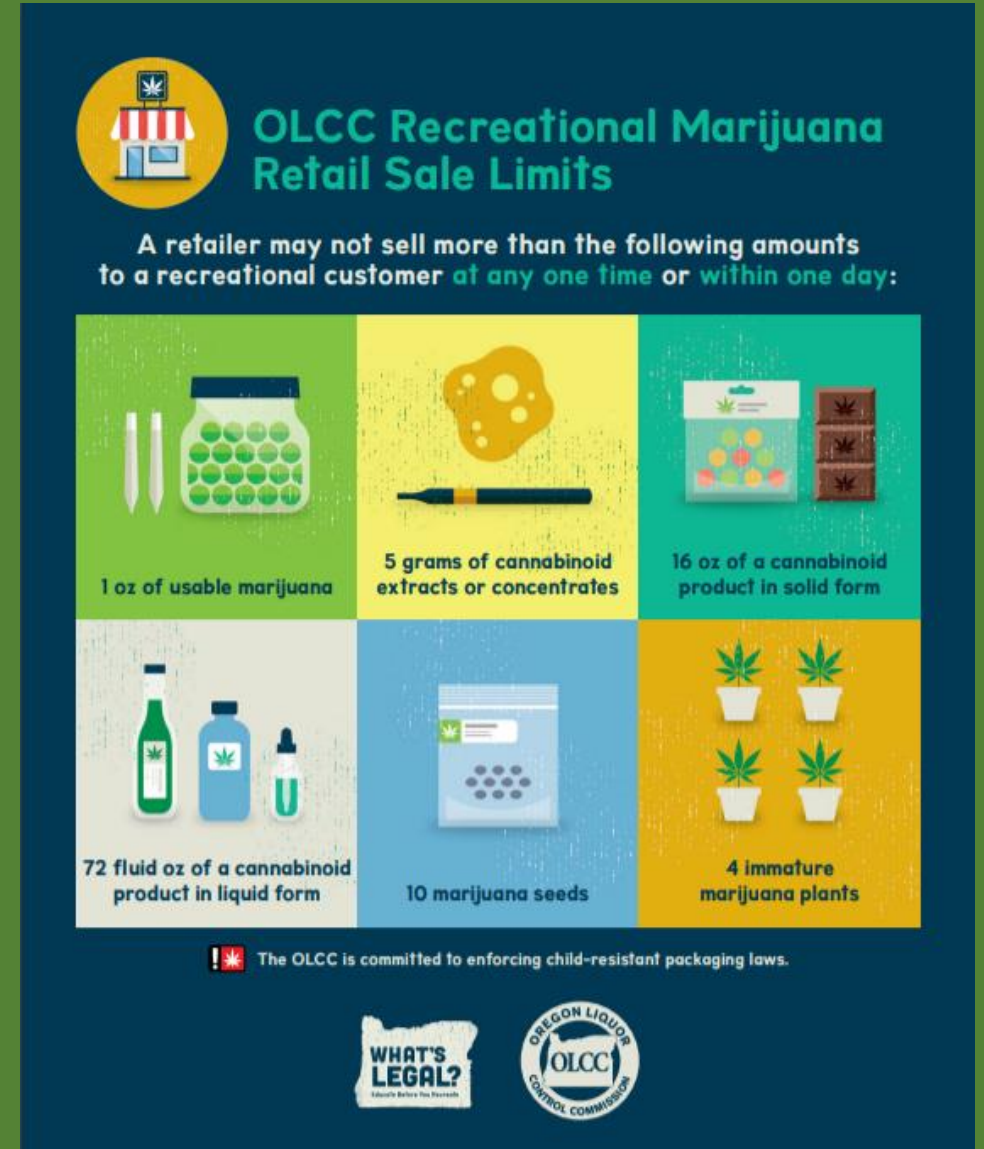
Licensed Retail Facilities

Since January 1, 2017:

- 27 business license applications
- 18 withdrawn, expired or denied
- 8 approved businesses
- 1 under review







General locations:


- 5 along 7th/Molalla
- 2 on Main St
- 1 on Beavercreek





OLCC Recreational Marijuana Retail Sale Limits

A retailer may not sell more than the following amounts to a recreational customer **at any one time** or **within one day**:

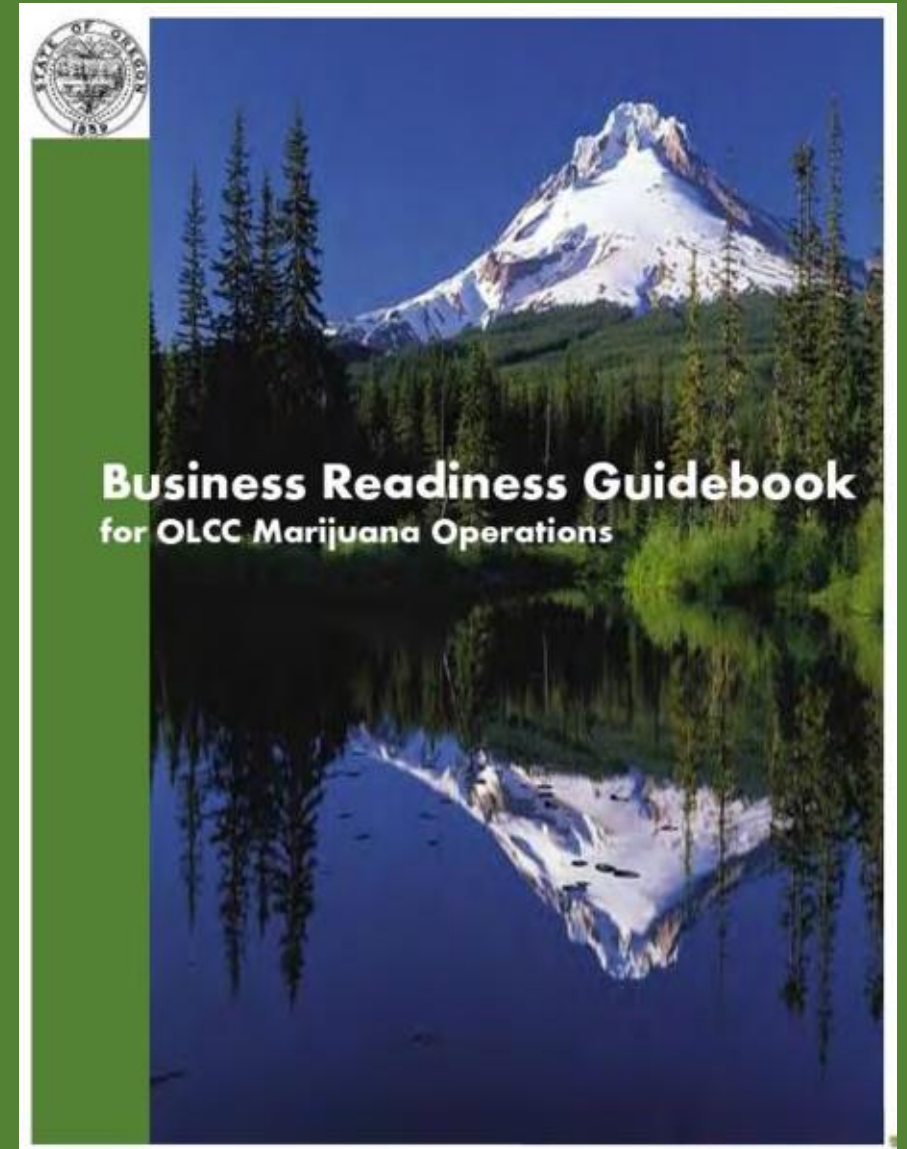
 1 oz of usable marijuana	 5 grams of cannabinoid extracts or concentrates	 16 oz of a cannabinoid product in solid form
 72 fluid oz of a cannabinoid product in liquid form	 10 marijuana seeds	 4 immature marijuana plants

 The OLCC is committed to enforcing child-resistant packaging laws.

Tax Revenues

- State Tax (17%)
 - 40% - State School Fund
 - 20% - Mental Health, Alcohol and Drug Services
 - 15% - Oregon State Police
 - 10% - Oregon Counties
 - 10% - Oregon Cities**
 - 5% - Oregon Health Authority
- Oregon Cities Distribution
 - Quarterly certification
 - Population/number of licenses

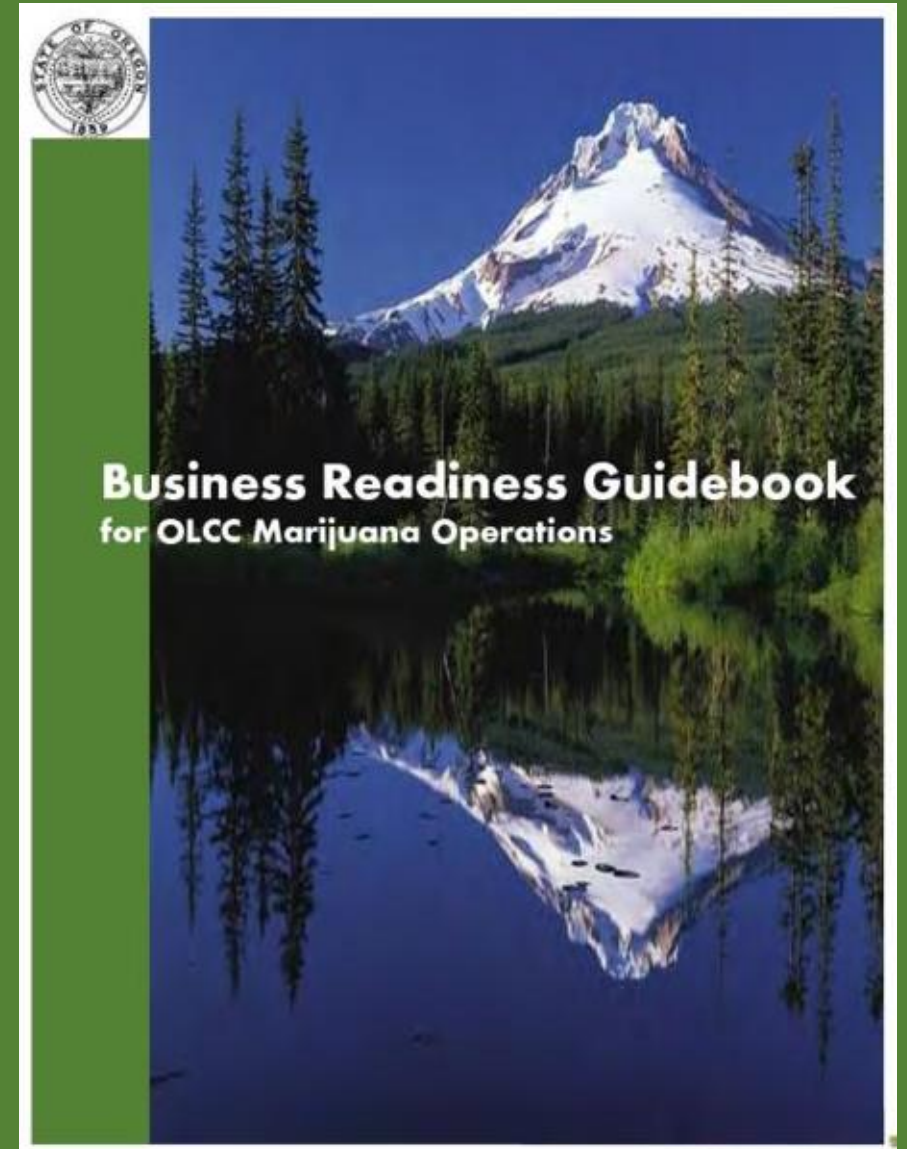


Tax Revenues

- City Tax (3%)
- Combined Annual Revenue:

State Tax	\$ 94,000
City Tax	89,000
Total	<u>\$ 183,000</u>

- Police enforcement and Parks
- Request for contribution for prevention program



Discussion

