



The City of Harrisburg has filed two 'Notice of Measure Elections' with the Linn County Elections Clerk

Measure 22-163 Imposes City Tax on Marijuana Retailer's Sale of Marijuana Items

Measure 22-164 Prohibits Establishment of Recreational and Medical Marijuana Facilities in Harrisburg

What follows is a full copy of the ballot titles, question, summary, and explanations for both measures.

BALLOT TITLE

Imposes city tax on marijuana retailer's sale of marijuana items.

QUESTION

Shall Harrisburg impose a tax on the sale of marijuana items by a marijuana retailer within City limits?

SUMMARY

Under state law, a city council may adopt an ordinance to be referred to the voters of the city imposing up to a three percent tax on the sale of marijuana items in the city by a licensed marijuana retailer.

Approval of this measure would impose a tax, set by resolution of City Council and not to exceed three (3) percent, on the sale of marijuana items in the city by a marijuana retailer. The tax would be collected at the point of sale and remitted by the marijuana retailer.

Under state law, a city that adopts an ordinance prohibiting the establishment of a medical marijuana processor, medical marijuana dispensary, or recreational marijuana producer, processor, wholesaler, or retailer may not impose a tax on the production, processing or sale of marijuana or any product into which marijuana has been incorporated. This measure would allow a tax rate above zero (0) percent only if the measure proposing to prohibit the establishment of any of those marijuana entities does not pass by a majority of votes.

EXPLANATORY STATEMENT

Approval of this measure would impose a tax on the sale of marijuana items by a marijuana retailer within the city. If approved, the revenues from this tax are estimated to be \$0. There are no restrictions on how the city may use the revenues generated by this tax. However, the tax will become operative only if the ballot measure prohibiting the establishment of certain marijuana registrants and licensees fails.

Under Measure 91, adopted by Oregon voters in November 2014 and amended by the Legislature in 2015, the Oregon Liquor Control Commission must license the retail sale of recreational marijuana. The 2015 Legislation provides that a city council may adopt an ordinance imposing up to a three percent tax on the sale of marijuana items (which include marijuana concentrates, extracts, edibles, and other products intended for human consumption and use) by retail licensees in the city, but the council must refer that ordinance to the voters at a statewide general election. The City of Harrisburg city council has adopted an ordinance imposing a tax on the sale of marijuana items by a retail licensee in the city, and, as a result, has referred this measure to the voters.

However, this tax will become operative only if the ballot measure prohibiting the establishment of certain marijuana registrants and licensees fails. Under state law, a city that adopts an ordinance that prohibits the establishment in the area subject to the jurisdiction of the city of a medical marijuana processor, medical marijuana dispensary, or recreational marijuana producer, processor, wholesaler, or retailer may not impose a tax or fee on the production, processing or sale of marijuana or any product into which marijuana has been incorporated. As a result, if the voters pass a prohibition ordinance, this tax will not become operative, even if it also receives a majority of votes.

BALLOT TITLE

Prohibits establishment of recreational and medical marijuana facilities in Harrisburg.

QUESTION

Shall Harrisburg prohibit the establishment of recreational and medical marijuana facilities of all kinds within the city limits?

SUMMARY

State law allows operation of registered medical marijuana facilities and licensed recreational marijuana facilities. State law provides that a city council may adopt an ordinance to be referred to the voters to prohibit the establishment of any of those registered or licensed activities.

Approval of this measure would prohibit the establishment of medical marijuana facilities and recreational marijuana facilities within the area subject to the jurisdiction of the city.

If this measure is approved, the city will be ineligible to receive distributions of state marijuana tax revenues and will be unable to impose a local tax or fee on the production, processing or sale of marijuana or any product into which marijuana has been incorporated.

EXPLANATORY STATEMENT

Approval of this measure would prohibit the establishment of certain marijuana activities within the city.

The Oregon Medical Marijuana Act, as amended by the Legislature in 2015, provides that the Oregon Health Authority will register medical marijuana processors and medical marijuana dispensaries. Medical marijuana processors compound or convert marijuana into concentrates, extracts, edible products, and other products intended for human consumption and use. Medical marijuana dispensaries facilitate the transfer of marijuana and marijuana products between patients, caregivers, processors, and growers.

Measure 91, approved by Oregon voters in 2014 and by the Legislature in 2015, provides that the Oregon Liquor Control Commission will license recreational marijuana producers (those who manufacture, plant, cultivate, grow or harvest marijuana), processors, wholesalers, and retailers.

A city council may adopt an ordinance prohibiting the establishment of any of those entities within the city, but the council must refer the ordinance to the voters at a statewide general election. The CITY OF HARRISBURG City Council has adopted an ordinance prohibiting the establishment of medical marijuana processor, and medical marijuana dispensaries within the city and, as a result, has referred this measure to the voters.

If approved, this measure would prohibit medical marijuana processors, grow sites, and medical marijuana dispensaries within the city. This measure would also prohibit recreational marijuana producers, recreational marijuana processors, recreational marijuana wholesalers, and/or recreational marijuana retailers.

Medical marijuana processors and medical marijuana dispensaries that were registered with the state before the city council adopted the ordinance, and medical marijuana dispensaries that had applied to be registered on or before July 1, 2015, can continue operating in the city even if this measure is approved, if those entities have successfully completed a local land use application process.

Approval of this measure has revenue impacts. Currently, ten percent of state marijuana tax revenues will be distributed to cities to assist local law enforcement in performing their duties under Measure 91. If approved, this measure would make the city ineligible to receive distributions of state marijuana tax revenues.

Currently, under the 2015 legislation, a city may impose up to a three percent tax on the sale of marijuana items by a marijuana retailer in the city. However, a city that adopts an ordinance prohibiting the establishment of medical marijuana processors, medical marijuana dispensaries, or recreational marijuana

producers, processors, wholesalers, or retailers may not impose a local tax or fee on the production, processing or sale of marijuana or any product into which marijuana has been incorporated. Approval of this measure would therefore prevent a city from imposing a local tax on those activities.