

# House Bill 3096

Sponsored by Representative FINDLEY

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Authorizes exception allowing certain cities to impose tax or fee, in excess of standard limitation, on production, processing or sale of marijuana items. Requires distribution to county governing body, for public safety purposes, of percentage of proceeds of tax or fee imposed pursuant to exception.

Applies to marijuana items produced, processed or sold on or after January 1, 2020.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to local taxes on marijuana items; creating new provisions; amending ORS 475B.491; and  
3 prescribing an effective date.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 475B.491 is amended to read:

6 475B.491. (1)(a) Except as expressly authorized by this section, the authority to impose a tax or  
7 fee on the production, processing or sale of marijuana items in this state is vested solely in the  
8 Legislative Assembly.

9 (b) Except as expressly authorized by this section, a county, city or other municipal corporation  
10 or district may not adopt or enact ordinances imposing a tax or fee on the production, processing  
11 or sale of marijuana items in this state.

12 (2) Subject to [*subsection (4)*] **subsections (4) and (5)** of this section, the governing body of a  
13 city or county may adopt an ordinance to be referred to the electors of the city or county as de-  
14 scribed in subsection (3) of this section that imposes a tax or a fee on the sale of marijuana items  
15 that are sold in the area subject to the jurisdiction of the city or the unincorporated area subject  
16 to the jurisdiction of a county by a marijuana retailer that holds a license issued under ORS  
17 475B.105.

18 (3) If the governing body of a city or county adopts an ordinance under this section, the gov-  
19 erning body shall refer the measure of the ordinance to the electors of the city or county for ap-  
20 proval at the next statewide general election.

21 (4) An ordinance adopted under this section may not impose a tax or fee:

22 (a) **Except as provided in subsection (5)(a) of this section**, in excess of three percent; or

23 (b) On a registry identification cardholder or on a designated primary caregiver who is pur-  
24 chasing a marijuana item for a registry identification cardholder.

25 (5)(a) **The governing body of a city with a population exceeding 10,000 that is located in**  
26 **a combined statistical area, as designated by the United States Office of Management and**  
27 **Budget, with a population exceeding 600,000 but not exceeding 1 million in the most recent**  
28 **census, may by ordinance impose a tax or fee not in excess of 18 percent.**

29 (b) **At least two percent of the proceeds of any tax or fee authorized under paragraph (a)**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.  
New sections are in **boldfaced** type.

1 of this subsection must be transferred to the governing body of the county where the city  
2 is located, to be further distributed for use for public safety purposes.

3 **SECTION 2.** The amendments to ORS 475B.491 by section 1 of this 2019 Act apply to  
4 marijuana items produced, processed or sold on or after January 1, 2020.

5 **SECTION 3.** This 2019 Act takes effect on the 91st day after the date on which the 2019  
6 regular session of the Eightieth Legislative Assembly adjourns sine die.

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