

BOCC Hearing Material

Purpose of Hearing:

The purpose of the hearing is to receive input relative to whether Deschutes County should pursue any of the MJ business opt out alternatives provided for by state law.

The hearing does not concern the use of marijuana – recreational or medical. Those issues have been decided at the state level and are not within the jurisdiction of the BOCC.

Background:

* In November 2014, the electors of Oregon passed BM 91 (recreational marijuana); BM 91 included general provisions re: local jurisdiction opt out;

* During the Legislative session that just ended, the Legislature enacted HB 3400; included within HB 3400 are two opt out provisions – one of which applies to Deschutes County;

* The Opt out for Deschutes County allows the BOCC to enact an ordinance (to be referred to the voters at the November 2016 General Election) which prohibits the establishment – within the unincorporated area of Deschutes County – of any or all of the following marijuana businesses:

- (a) Medical Marijuana processing sites;
- (b) Medical Marijuana dispensaries;
- (c) Recreational Marijuana producers (growers);
- (d) Recreational Marijuana processors;
- (e) Recreational Marijuana wholesalers;
- (f) Recreational Marijuana retailers; or
- (g) Any combination of the entities described in (a) to (f) herein.

Moratorium:

Under the provisions of HB 3400, if the BOCC enacts an opt out ordinance, a temporary moratorium is put in place which prohibits OHA and OLCC from issuing licenses to affected MJ businesses. [The prohibition is either lifted or becomes permanent following the November 2016 election.]

Tax Impacts:

If the county opts out of any of the six categories of state licensed or registered marijuana businesses, it forfeits its right to impose local marijuana taxes, and also forfeits its right to a share of state marijuana tax revenue. [While it is not clear in the legislation, AOC is of the opinion that if the voters reject the opt out, the county would then become eligible for its share of state marijuana tax revenue.]