



**Measure 91--Marijuana Legalization (Initiative)**

This measure would change state law to require the Oregon Liquor Control Commission (OLCC) to license, regulate, and tax the in-state manufacture, processing, and retail sales of marijuana to persons 21 and older beginning in 2016. Current medical marijuana laws would be retained.

<b><i>EASY READ GUIDE</i> Information</b>
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**Official Title:**

[Changes State law] Allows possession, manufacture, sale of marijuana by/to adults, subject to state licensing, regulation, taxation

**The way it is now:**

Under state and federal law, growing, selling, and using marijuana is illegal, except when allowed for medical use with permission from a doctor.

**What Measure 91 would do:**

Change state law in Oregon. The law would allow the state to control the growth and sale of marijuana. State-licensed stores would sell marijuana to people 21 and older.

**How much would it cost:**

It will cost about \$4 million a year for the Oregon Liquor Control Commission (OLCC) to set up the rules of the law, hire people to oversee the law, and make sure people follow the law. Marijuana will be taxed. It is estimated there will be between \$6.5 to \$38.5 million a year in income. The income will pay for OLCC's work and go to schools, drug treatment, police and courts.

**Argument for:**

The measure will bring in millions of dollars for state programs like education and addiction counseling. The state will spend less money on police and prisons related to drug crimes. The measure will create jobs. Marijuana should be treated like alcohol.

**Argument against:**

Making marijuana legal will send the wrong message to kids. It will not prevent illegal drug crime. It could lead to other costs like car accidents and drug addiction. There is not enough regulation about how it will be sold.



## State of Oregon Measure 91: Marijuana Legalization

### VOTERS' GUIDE INFORMATION

**Official Title:** Allows possession, manufacture, sale of marijuana by/to adults, subject to state licensing, regulation, taxation

**Initiative:** This measure is a statutory amendment placed on the ballot by initiative petition with an estimated 88,584 valid signatures.

**Financial Impact:** The Oregon Legislative Revenue Office estimates administrative expenses of the Oregon Liquor Control Commission (OLCC) at \$4 million the first year and \$3 million annually thereafter. Revenue after the OLCC expenses are estimated at between \$6.5 and \$12 million the first year and \$20 million per year thereafter. Changes in costs to the criminal justice system are unknown.

**Probable Results of a YES Vote:** If this measure passes, the Oregon Liquor Control Commission (OLCC) would be required to license, regulate, and tax the in-state manufacture, processing, and retail sales of marijuana to persons 21 and older beginning in 2016. Current medical marijuana laws would be retained.

**Probable Results of a NO Vote:** If this measure fails, current law would remain. Current law makes possession of less than an ounce of marijuana a non-criminal infraction. Possession of more than an ounce is a criminal infraction. Laws permitting production and possession of cannabis for medical use would not be affected.

**Background:** Cannabis, or marijuana, was legal in Oregon and in many other states until the 1935 National Uniform State Narcotic Drug Act criminalized the possession of any amount of marijuana. In 1973 Oregon decriminalized small amounts of marijuana, making possession of under one ounce a violation, which today is punishable by a presumptive fine of \$650. (The presumptive fine is not the maximum fine a court can impose.) The economic and social cost of enforcing current marijuana drugs laws in Oregon is often described as one of the primary reasons for legalizing marijuana. According to the American Civil Liberties Union, in 2010 over half of the drug citations and arrests in Oregon were for marijuana use at a cost to law enforcement estimated between \$16 million and \$83 million.

In 1986 and 2012 voters defeated ballot measures that would have legalized marijuana cultivation and recreational use. In 1998 Oregon voters passed a measure to allow the use of marijuana for medicinal purposes. A ballot measure in 2010, however, was defeated that would have established medical marijuana dispensaries. In 2013 the Oregon Legislature passed a law to license and regulate such dispensaries through the Oregon Health Authority. In 2014 the Legislature passed a law to allow local governments to impose a moratorium through May 1, 2015, on the placement or operation of those dispensaries within their jurisdiction.

In 2012 Washington and Colorado voters passed ballot initiatives to legalize the recreational use of marijuana, becoming the first states to do so. These laws went into effect in 2014. In 2013 the United States Department of Justice issued a memorandum that in effect said that people in states that have legalized recreational marijuana would not be subject to federal prosecution as long as they are following

the laws of that state. However, a memorandum does not carry the weight of law, so this more lenient federal policy could be changed at any time.

**The Proposal:** Measure 91 would amend state law to legalize and regulate the growth, sale, and possession of marijuana by persons 21 years and older in Oregon. The OLCC would license qualified marijuana growers; license processors and packagers; license stores to sell marijuana; set standards; establish the retail price for marijuana; and collect fees. Measure 91 says that in licensing retail stores the OLCC would be allowed to consider “That there are sufficient licensed premises in the locality . . . or that granting of a license in the locality. . . is not demanded by public interest . . .” Under Measure 91, marijuana sales for recreational use could begin in 2016.

Measure 91 allows persons 21 years and older to grow up to four marijuana plants and possess eight ounces of useable marijuana whether they grow or buy it. Whether purchased or homegrown, persons 21 and older may not “knowingly or intentionally possess” more than one ounce of usable marijuana in a public place. The law also limits quantities of other forms of marijuana.

OLCC would impose a tax on marijuana payable by licensed marijuana producers at a rate of \$35 per ounce on marijuana flowers, \$10 per ounce on marijuana leaves, and \$5 per each immature marijuana plant. Revenues collected through the licensing and sale of marijuana would be used to reimburse OLCC for the cost of enforcing Measure 91. Remaining revenue would be distributed as follows: 40% to help fund schools, 25% for substance abuse treatment and prevention services, 15% to the state police, and 20% to cities and counties solely for enforcement of this measure.

**Supporters say:**

- The War on Drugs, including the War on Marijuana, is a failure that has supported drug cartels and needlessly swept up thousands of people in the criminal justice system at a great cost to law enforcement resources and individuals’ lives.
- By taxing marijuana sales, this measure will generate revenue for the State while reducing the amount spent on law enforcement and prisons.
- A portion of revenues from marijuana sales will be used for school funding and for drug addiction prevention and treatment.
- Adults 21 and older should have the freedom to legally buy, produce, and use marijuana as they do now with alcohol.

**Opponents say:**

- Any increase in State revenues is not worth the impact on youth and communities from legalizing and increasing access to a mind-altering drug. We should not allow this drug to get an even stronger hold on our society.
- Oregon is already very tolerant of small amounts of marijuana possession. Increasing access to marijuana would only result in more costs to society, such as an increase in motor vehicle accidents and drug addiction.
- Legalizing and taxing marijuana sales may have a limited impact on black market sales because those sales would not be taxed and may be cheaper. Marijuana will still be grown and sold illegally.
- Marijuana operations and retail stores will be a tempting target for criminals.



**BACKGROUND INFORMATION**

**PROPOSERS/SUPPORTERS:**

New Approach Oregon; Yes on 91 Committee ([www.voteyeson91.com](http://www.voteyeson91.com)). Supporters include The Oregonian Editorial Board, Earl Blumenauer, The City Club of Portland, Democratic Party of Oregon, and more.

**OPPOSERS:**

There is a loosely organized opposition to Measure 91. The Oregon District Attorneys Association and Oregon State Sheriffs Association are on the record in opposition and are most outspoken. The Oregon Republican Party has also come out in opposition of Measure 91.

**OVERALL GOOD SOURCE:**

**The City Club of Portland** produced an excellent report on Measure 91:

<http://www.pdxcityclub.org/files/Research/BallotMeasures2014/MarijuanaLegalization-20140813.pdf>

**REVENUE FORECASTS:**

**ECONorthwest:** Oregon Cannabis Tax Revenue Estimate, July 22, 2014 [Not Official]:

[http://www.econw.com/media/ap\\_files/7-22-2014\\_CannabisFinalReport2.pdf](http://www.econw.com/media/ap_files/7-22-2014_CannabisFinalReport2.pdf)

**Legislative Revenue Office Estimates** [Official]: <http://media.oregonlive.com/mapes/other/IP%2053%20Estimates.pdf>

State economist, Mark McMullen, says that the potential revenue from this measure he did not feel the revenue would be a game changer. It would probably amount to 2-3 % of the lottery money revenue.

**Oregon Public Broadcasting:** <http://www.opb.org/news/article/estimates-differ-on-marijuana-revenues/>

**KOIN TV Report:** <http://koin.com/2014/08/08/the-price-of-pot-how-much-will-oregon-make/>

**ADDITIONAL STORIES:**

**Oregonian:**

Major Oregon marijuana critic lays out his case against legalization, July 31, 2014:

[http://www.oregonlive.com/mapes/index.ssf/2014/07/major\\_oregon\\_marijuana\\_critic.html](http://www.oregonlive.com/mapes/index.ssf/2014/07/major_oregon_marijuana_critic.html)

If Oregon legalizes marijuana, how will it keep roads safe?, 8/29/14:

[http://www.oregonlive.com/politics/index.ssf/2014/08/if\\_oregon\\_legalizes\\_marijuana.html](http://www.oregonlive.com/politics/index.ssf/2014/08/if_oregon_legalizes_marijuana.html)



League of Women Voters  
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**Comparing Oregon’s Measure 91 with existing laws in Washington and Colorado:**

<b>State</b>	<b>Possession</b>	<b>Homegrown</b>	<b>Driving Limits</b>	<b>Tax Structure</b>
<b>Colorado</b>	1 oz possession of THC; 7 grams in a single transaction	Up to 6 plants, 3 in flower	5 nanograms of THC per milliliter of blood	15% on cultivator 10% special sales tax; 2.9% standard sales tax; additional local taxes allowed.
<b>Oregon</b> (Proposed as Measure 91)	8 oz useable; 1 oz in public but not visible or used. (other forms, i.e. liquid, have different limits)	Up to 4 plants; up to 8 oz, can be home grown, 8 oz total	No THC limits; police will continue to use behavior and other tests	\$35 per ounce on flowers, \$10 per ounce on leaves, and \$5 per ounce on each immature plant. No local taxes permitted.
<b>Washington</b>	1 oz possession (other forms, i.e., liquid, have different limits)	No homegrown allowed	5 nanograms of THC per milliliter of blood	25% tax on each stage of sale point (grower to processor, processor to retailer, retailer to customer), plus normal local taxes apply. The total effective tax rate to be about 44 percent.

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