

RESOLUTION NO. 2016-15

A RESOLUTION APPROVING REFERRAL TO THE ELECTORS OF THE CITY OF LA PINE THE QUESTION OF IMPOSING A THREE PERCENT TAX ON THE SALE OF MARIJUANA ITEMS WITHIN THE CITY OF LA PINE.

WHEREAS, Section 34a, Chapter 614, Oregon Laws 2015 (HB 3400) provides that a city council may adopt an ordinance to be referred to the electors of the city that imposes up to a three percent tax or fee on the sale of marijuana items in the area subject to the jurisdiction of the city; and

WHEREAS, on April 13, 2016, the La Pine City Council adopted Ordinance No. 2016-02, which ordinance imposes a tax of three percent on the sale of marijuana items by a marijuana retailer in any area subject to the jurisdiction of the City of La Pine ("City").

NOW, THEREFORE, the City of La Pine resolves as follows:

1. Measure. A measure election is hereby called for the purpose of submitting to City's electors a measure imposing a three percent (3%) tax on the sale of marijuana items by a licensed marijuana retailer in any area subject to City's jurisdiction. The measure attached hereto as Exhibit A and incorporated herein by this reference is hereby approved.
2. Election Conducted by Mail. The measure election will be held in City on November 8, 2016. As required by ORS 254.465, the measure election will be conducted by mail by the Deschutes County Clerk according to the procedures adopted by the Oregon Secretary of State.
3. Delegation. The city manager or his or her designee is authorized to act on behalf of City and take such further action as is necessary to carry out the intent and purposes set forth herein, in compliance with applicable law.
4. Ballot Title. The city attorney has prepared the ballot title for the measure attached hereto as Exhibit B and herein incorporated by this reference. The ballot title attached hereto as Exhibit B is hereby approved.
5. Notice of Ballot Title; Right to Appeal. Upon receiving the ballot title for this measure, the city recorder will publish in the next available edition of a newspaper of general circulation in City a notice of receipt of ballot title, including notice that an elector may file a petition for review of the ballot title.
6. Explanatory Statement. The explanatory statement for the measure attached hereto as Exhibit C and incorporated herein by this reference is hereby approved.
7. Filing with County Elections Office. The city recorder will deliver the Notice of Measure Election to the Deschutes County Clerk for inclusion on the ballot for the November 8, 2016 election.
8. Severability; Effective Date. The provisions of this resolution are severable. If any section, subsection, sentence, clause, and/or portion of this resolution is for any reason held invalid, unenforceable, and/or unconstitutional, such invalid, unenforceable, and/or unconstitutional section, subsection, sentence, clause, and/or portion will (a) yield to a construction permitting enforcement to the maximum extent permitted by applicable law, and (b) not affect the validity, enforceability, and/or

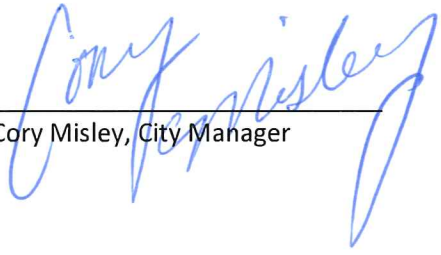
constitutionality of the remaining portion of this resolution. This resolution will be in full force and effect from and after its approval and adoption.

APPROVED and ADOPTED by the City Council of the City of La Pine and signed by the mayor this 20th day of July, 2016.



Ken Mullenex, Mayor

ATTEST:



Cory Misley, City Manager

Exhibit A
Question and Summary

QUESTION

Shall La Pine impose a three percent tax on the sale of marijuana by a licensed marijuana retailer?

SUMMARY

State law provides that a city council may adopt an ordinance to be referred to the voters of the city imposing up to a three percent tax or fee on the sale of certain marijuana items by a licensed marijuana retailer. The La Pine City Council referred this measure to the voters as provided under state law.

Approval of this measure will impose a three percent tax on the sale of marijuana items by marijuana retailers in the city. The tax will be collected at the point of sale and remitted by the marijuana seller.

Under state law, a city that adopts an ordinance prohibiting the establishment and/or operation of a recreational marijuana retailer may not impose a tax or fee on the production, processing, and/or sale of marijuana or any product into which marijuana has been incorporated. This measure will become operative only if the measure proposing to prohibit (ban) the establishment and operation of recreational marijuana retailers is not passed (approved) by voters.

Exhibit B
Ballot Title

Imposes city tax on retail sale of recreational marijuana.

Exhibit C
Explanatory Statement

Approval of this measure will impose a three percent tax on the sale of marijuana items by a marijuana retailer within the City of La Pine. This measure will become operative only if the measure proposing to prohibit (ban) the establishment and operation of recreational marijuana retailers is not passed (approved) by voters.

Under Measure 91, adopted by the 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 Legislature provides that a city council may adopt an ordinance imposing up to a three percent tax on the sale of marijuana items (which includes 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 general statewide election. The La Pine City Council has adopted an ordinance imposing a three percent tax on the sale of marijuana items by a retail licensee and, as a result, has referred this measure to the voters.

Under state law, a city that adopts an ordinance that prohibits (bans) the establishment and/or operation of recreational marijuana retailers may not impose a tax or fee on the production, processing, and/or sale of marijuana or any product into which marijuana has been incorporated. As a result, if voters pass the prohibition (banning) ordinance, this tax measure will not become operative even if it also receives a majority of votes.