

Ballot Measure Statement
2020 General Election

September 03, 2020

Proposed by Initiative Petition

Measure 110

Provides statewide addiction/recovery services; marijuana taxes partially finance; reclassifies possession/penalties for specified drugs

Result of “Yes” Vote: “Yes” vote provides addiction recovery centers/services; marijuana taxes partially finance (reduces revenues for other purposes); reclassifies possession of specified drugs, reduces penalties; requires audits.

Yes

Result of “No” Vote: “No” vote rejects requiring addiction recovery centers/services; retains current marijuana tax revenue uses; maintains current classifications/ penalties for possession of drugs.

No

Summary: Measure mandates establishment/ funding of “addiction recovery centers” (centers) within each existing coordinated care organization service area by October 1, 2021; centers provide drug users with triage, health assessments, treatment, recovery services. To fund centers, measure dedicates all marijuana tax revenue above \$11,250,000 quarterly, legislative appropriations, and any savings from reductions in arrests, incarceration, supervision resulting from the measure. Reduces marijuana tax revenue for other uses. Measure reclassifies personal non-commercial possession of certain drugs under specified amount from misdemeanor or felony (depending on person’s criminal history) to Class E violation subject to either \$100 fine or a completed health assessment by center. Oregon Health Authority establishes council to distribute funds/ oversee implementation of centers. Secretary of State audits biennially. Other provisions.

Estimate of Financial Impact: The initiative directs the Oregon Health Authority (OHA) to establish Addiction Recovery Centers and increase funding for other substance use disorder services offset by decreasing funding to other programs, changes the distribution of marijuana tax revenues and reduces drug penalties for possession of some drugs.

Marijuana Revenue Redistribution

The initiative creates the Drug Treatment and Recovery Services Fund (DTRSF). It redistributes marijuana revenue above \$11.25 million per quarter from existing recipients to the DTRSF, reducing revenue to the State School Fund, the State Police, mental health programs, and local governments. The revenue redistributions for state agency programs are summarized below:

<i>All dollars in millions</i>	2019-21	2021-23
Drug Treatment and Recovery Services Fund (ARCs)	\$ 61.1	\$ 182.4
State School Fund	\$ (17.1)	\$ (73.0)
Mental Health, Alcoholism and Drug Services	\$ (8.6)	\$ (36.5)
Alcohol and Drug Abuse Prevention and Intervention	\$ (2.1)	\$ (9.1)
Oregon State Police	\$ (6.5)	\$ (27.4)
Net Increase In State Revenue	\$ 26.8	\$ 36.4

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OHA is directed to administer grants to fund the Addiction Recovery Centers (ARCs), which will offer 24 hour access to care every day of the year starting October 1, 2021. The grants will be awarded to ARCs for operational expenses as well as to organizations providing substance use disorder treatment, peer support and recovery services, permanent supportive housing, and harm reduction interventions to be provided free of charge to the recipient of the services.

The initiative requires the Legislature to provide \$57 million in annual funding (with increases for inflation) for the DTRSF. Marijuana revenue estimated at \$61.1 million in 2019-21 and \$182.4 million in 2021-23 should be sufficient to meet this requirement.

The initiative reduces the marijuana revenue distribution to cities and counties. The total reduction is \$8.6 million in 2019-21 and \$36.4 million in 2021-23.

Decriminalization of Certain Drug Offenses

The initiative decriminalizes certain drug offenses and transfers the savings due to lower spending on arrests, probation supervisions and incarcerations to the DTRSF to fund additional ARC expenditures. These savings are estimated at \$0.3 million in 2019-21 and \$24.5 million in 2021-23. This will reduce revenue transferred from the Department of Corrections for local government community corrections by \$0.3 million in 2019-21 and \$24.5 million in 2021-23. The savings are expected to increase beyond the 2021-23 biennium.