

ORDINANCE NO. 2016-15

ORDINANCE OF THE CITY OF CITY OF FOREST GROVE IMPOSING A THREE PERCENT TAX ON THE SALE OF MARIJUANA ITEMS BY A MARIJUANA RETAILER AND REFERRING ORDINANCE TO ELECTORS OF FOREST GROVE AT THE NEXT GENERAL ELECTION ON NOVEMBER 8, 2016

WHEREAS, on September 22, 2014, the Forest Grove City Council adopted Ordinance 2014-09 imposing a ten percent tax on the sale or transfer of marijuana and marijuana-infused products within the City; and

WHEREAS, the Oregon state legislature subsequently passed ORS 475B.345, which purportedly preempts the City from imposing any tax or fee on the sale of marijuana items other than imposing up to a three percent tax or fee on the sale of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the city if such a tax is approved by the voters of the City; and

WHEREAS, the Ordinance Number 2016-11 repealed the previously adopted ten percent tax, which is now purportedly preempted by state law; and

WHEREAS, consistent with ORS 475B.345, the Forest Grove City Council wishes to impose a three percent tax on the sale of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the city; and

WHEREAS, City Council held a duly-noticed Public Hearing on June 27, 2016, and continued to hearing on July 11, 2016, on the proposed ordinance.

NOW, THEREFORE, THE CITY OF FOREST GROVE ORDAINS AS FOLLOWS:

Section 1: Definitions.

“Marijuana item” has the meaning given that term in ORS 475B.015(16).

“Marijuana retailer” means a person who holds a license under ORS 475B.110 and sells marijuana items to a consumer in this state.

“Retail sale price” means the price paid for a marijuana item, excluding tax, to a marijuana retailer by or on behalf of a consumer of the marijuana item.

Section 2: Tax Imposed. As authorized by ORS 475B.345, the City of Forest Grove hereby imposes a tax of three percent on the retail sale price of all marijuana items sold by a marijuana retailer in the city.

Section 3: Collection. The tax shall be collected at the point of sale of a marijuana item by a marijuana retailer at the time at which the retail sale occurs and remitted by each marijuana retailer that engages in the retail sale of marijuana items. If approved by voters, the Council shall take actions necessary to implement the tax.

Section 4: Referral. This ordinance shall be referred to the electors of Forest Grove at the next statewide general election on Tuesday, November 8, 2016.

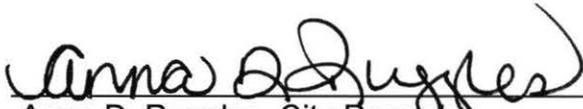
Section 5: Severability. The sections, subsections, paragraphs and clauses of this ordinance are severable. The invalidity of one section, subsection, paragraph, or clause does not affect the validity of the remaining sections, subsections, paragraphs or clauses.

Section 6: Savings. Notwithstanding any amendment/repeal, the City ordinances in existence at the time any criminal or civil enforcement actions were commenced, remain valid and in full force and effect for purposes of all cases filed or commenced during the times this ordinance or portions thereof were operative.

Section 7. Effective date. This ordinance shall be effective 30 days following its enactment by the City Council.

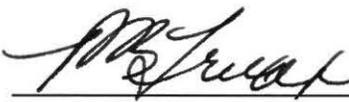
PRESENTED AND PASSED the first reading the 27th day of June, 2016.

PASSED the second reading this 11th day of July, 2016.



Anna D. Ruggles, City Recorder

APPROVED by the Mayor this 11th day of July, 2016.



Peter B. Truax, Mayor