



STATE OF OREGON
LEGISLATIVE REVENUE OFFICE

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Legislative Revenue Officer
Chris Allanach

TO: Financial Estimate Committee
FROM: Chris Allanach
DATE: July 11, 2024
SUBJECT: Initiative Petitions 17 and 35

ORS 250.125(4) directs the Financial Estimate Committee to consult with the Legislative Revenue Officer (LRO) regarding potential indirect economic and fiscal effects associated with ballot measures. It is up to the committee to determine if any such indirect effects are significant and can be feasibly estimated.

LRO has reviewed IP 35, which pertains to the organization rights of certain cannabis employees, and have concluded that it does not have significant indirect economic or fiscal impacts.

LRO has also reviewed IP 17, which modifies the Corporation Income & Excise Tax and directs revenue to a rebate program, does have the potential for significant indirect economic and fiscal benefits. We have provided an analysis of these effects in the [Legislative Revenue Office Report #4-24](#). The report provides revenue impact estimates for IP 17 that include adjustments for indirect economic effects and potential behavioral effects, in Table 15A. The report also describes additional demands that could be placed on the General Fund by the proposed language, in Table 15B. This includes a legal interpretation (from IP 28 in 2016) that indicates a required transfer of funds from the General Fund to the Highway Fund.

Lastly, there is ongoing legal analysis that could affect the results. The report includes a section that describes one example where the core issue is whether or not the source of funds for the rebate program would exceed the additional state revenue raised by the initiative. Table 17A contains these estimates.