



KATE BROWN
Governor

August 22, 2017

The Honorable Jefferson B. Sessions III
U.S. Department of Justice
Office of Legislative Affairs
Main Justice Building, Room 1145
950 Pennsylvania Avenue, NW
Washington, DC 20530

Dear Mr. Attorney General:

Thank you for your response to the April 3, 2017 four governor letter regarding potential changes to the *Cole Memorandum*. Since your appointment as United States Attorney General, Oregon has been quick to engage both the United States Attorney's Office for the District of Oregon and the Department of Justice Central Office on this issue. This engagement has been with an eye toward cooperation and education.

Oregon shares many of the concerns you raised in your letter relating to diversion and usage of marijuana by minors. My office recently gave a presentation to the attorneys you have tasked with evaluating states with regulated, legalized marijuana. *See Exhibit A ("Oregon Marijuana Regulation.")* This presentation was aimed at demonstrating the ways in which Oregon has worked to ensure compliance with the *Cole Memorandum* since the January 2017 inception of our legalized marketplace. To be sure that you have heard about them directly from me, I would like to highlight some of the key points from this presentation:

- As of January 2017, all recreational marijuana sold through the state-licensed marketplace in Oregon is tracked "from seed to sale," utilizing the "Cannabis Tracking System." Radio frequency identification tags are used in conjunction with strict security and camera requirements to ensure that product is not diverted at any stage.
- Oregon Senate Bill 1057, a bill I supported and which I signed into law on May 30, 2017, now places all medical marijuana sold through the state-licensed marketplace into the same "seed to sale" tracking system as recreational marijuana. This bill also institutes more strict plant limitations on marijuana growers.



- Oregon Senate Bill 302, a bill I supported and which I signed into law on April 21, 2017, increases criminal penalties for marijuana crimes such as unlawful extraction and so-called “super possession.” The bill also makes it easier to prosecute the unlawful import and export of marijuana products, a provision specifically aimed at stopping diversion of marijuana across Oregon’s borders.
- Oregon boasts the most robust testing regime of any state to legalize marijuana. This testing regime specifically addresses the *Cole Memorandum* tenet to avoid exacerbation of any public health consequences associated with legalization.
- The Oregon Health Authority has already begun a public communications campaign entitled “Stay True to You,” which is directed to preventing marijuana use by minors. Additional tax revenue is earmarked with this specific goal in mind for the future.
- Robust security and ID requirements at retail stores ensure that all product is separated from publicly accessible areas by a closed and locked security door, and that no minor can access or even view marijuana products.
- Oregon continues to dialog with our partners in other states that have legalized marijuana in some form. These continued conversations allow us to foster best practices when it comes to compliance with the *Cole Memorandum*.

Despite the concerns surrounding legalization of marijuana, there can be no denying that Oregon has benefitted from this industry. Oregon has already realized \$60.2 million in revenue and created over 16,000 jobs for Oregonians. Tax revenue from the marijuana industry is used to fund schools, to provide mental health and drug treatment and to assist both state and local law enforcement. This does not even take into account cost savings to the criminal justice system. As stated in the April 3, 2017 letter, a dismantling of the *Cole Memorandum* would have the opposite effect, driving existing lawful product into the unregulated black market and funding criminal enterprise.

You discuss in your letter the January 2017 draft report by the Oregon State Police. It is important to understand that this draft report does *not* (and frankly does not purport to), reflect the “on the ground” reality in Oregon in 2017. This document was originally meant to provide a baseline understanding of the state of things related to marijuana in Oregon prior to legalization. Of course, such a baseline provides little insight into the effectiveness of Oregon’s post-legalization regulatory measures aimed at *Cole Memorandum* compliance. Indeed, Oregon’s fully tracked and regulated marketplace only began in January 2017. There are additional concerns with the draft report. The Oregon State Police determined that the draft report required significant additional work and revision, because the data was inaccurate and the heavily extrapolated conclusions were incorrect. After this determination was made, an individual leaked the knowingly and deeply flawed draft report to the media. I would draw your attention to the sources relied upon in the document, which include an assortment of random blog and newspaper articles that should hardly form the basis of an informed policy discussion. See Exhibit B (“Letter from Oregon State Police Superintendent Travis Hampton.”)

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I am confident that Oregon's regulated marketplace, coupled with our enforcement work, will serve to ensure compliance with the *Cole Memorandum*. My staff looks forward to continuing its work with both the United States Attorney's Office for the District of Oregon and your office in Washington DC to end black market marijuana operations, and to provide mutual education and support of our legal and regulated marketplace. To those ends, I look forward to a continued partnership.

Respectfully,

A handwritten signature in blue ink that reads "Kate Brown". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Governor Kate Brown

KB:klrw

Enclosures:

Exhibit A "Oregon Marijuana Regulation"

Exhibit B "Letter from Oregon State Police Superintendent Travis Hampton"