HB 3000-1 (LC 3348) 3/30/21 (SCT/ps)

Requested by Representative WILDE

PROPOSED AMENDMENTS TO HOUSE BILL 3000

- In line 2 of the printed bill, after the semicolon insert "creating new
- 2 provisions amending ORS 475B.015, 475B.025, 475B.211, 475B.227, 475B.254,
- 3 475B.529, 475B.550, 475B.600, 475B.625, 571.269, 571.272, 571.281 and 571.341;".
- 4 Delete lines 4 through 10 and insert:
- **"SECTION 1.** ORS 475B.015 is amended to read:
- 6 "475B.015. As used in ORS 475B.010 to 475B.545:
- 7 "(1) 'Artificially derived cannabinoid' means a chemical compound
- 8 that is manufactured by chemical reaction with any chemical com-
- 9 pound derived from the plant Cannabis family Cannabaceae.
- "[(1)] (2) 'Cannabinoid' means any of the chemical compounds that are the active constituents derived from marijuana.
- "[(2)] (3) 'Cannabinoid concentrate' means a substance obtained by separating cannabinoids from marijuana by:
- "(a) A mechanical extraction process;
- 15 "(b) A chemical extraction process using a nonhydrocarbon-based solvent,
- such as water, vegetable glycerin, vegetable oils, animal fats, isopropyl al-
- 17 cohol or ethanol;
- 18 "(c) A chemical extraction process using carbon dioxide, provided that the
- 19 process does not involve the use of high heat or pressure; or
- 20 "(d) Any other process identified by the Oregon Liquor Control Commis-
- sion, in consultation with the Oregon Health Authority, by rule.

- "[(3)] (4) 'Cannabinoid edible' means food or potable liquid into which a cannabinoid concentrate, cannabinoid extract or dried marijuana leaves or
- 3 flowers have been incorporated.
- 4 "[(4)] (5) 'Cannabinoid extract' means a substance obtained by separating
- 5 cannabinoids from marijuana by:
- 6 "(a) A chemical extraction process using a hydrocarbon-based solvent,
- 7 such as butane, hexane or propane;
- 8 "(b) A chemical extraction process using carbon dioxide, if the process
- 9 uses high heat or pressure; or
- "(c) Any other process identified by the commission, in consultation with
- 11 the authority, by rule.
- "[(5)(a)] (6)(a) 'Cannabinoid product' means a cannabinoid edible and any
- other product intended for human consumption or use, including a product
- intended to be applied to the skin or hair, that contains cannabinoids or
- 15 dried marijuana leaves or flowers.
- "(b) 'Cannabinoid product' does not include:
- "(A) Usable marijuana by itself;
- "(B) A cannabinoid concentrate by itself;
- "(C) A cannabinoid extract by itself; or
- 20 "(D) Industrial hemp, as defined in ORS 571.269.
- "[(6)] (7) 'Consumer' means a person who purchases, acquires, owns, holds
- or uses marijuana items other than for the purpose of resale.
- "[(7)] (8) 'Deliver' means the actual, constructive or attempted transfer
- 24 from one person to another of a marijuana item, whether or not there is an
- 25 agency relationship.
- 26 "[(8)] (9) 'Designated primary caregiver' has the meaning given that term
- 27 in ORS 475B.791.
- "(9)(a)] (10)(a) 'Financial consideration' means value that is given or
- 29 received either directly or indirectly through sales, barter, trade, fees,
- 30 charges, dues, contributions or donations.

- "(b) 'Financial consideration' does not include marijuana, cannabinoid products or cannabinoid concentrates that are delivered within the scope of and in compliance with ORS 475B.301.
- "[(10)] (11) 'Homegrown' means grown by a person 21 years of age or older for noncommercial purposes.
- "[(11)] (12) 'Household' means a housing unit and any place in or around
 a housing unit at which the occupants of the housing unit are producing,
 processing, possessing or storing homegrown marijuana, cannabinoid products, cannabinoid concentrates or cannabinoid extracts.
- "[(12)] (13) 'Housing unit' means a house, an apartment or a mobile home, or a group of rooms or a single room that is occupied as separate living quarters, in which the occupants live and eat separately from any other persons in the building and that has direct access from the outside of the building or through a common hall.
- "[(13)] (14) 'Immature marijuana plant' means a marijuana plant that is not flowering.
- "[(14)] (15) 'Licensee' means a person that holds a license issued under ORS 475B.070, 475B.090, 475B.100 or 475B.105.
- "[(15)] (16) 'Licensee representative' means an owner, director, officer,
 manager, employee, agent or other representative of a licensee, to the extent
 that the person acts in a representative capacity.
- "[(16)(a)] (17)(a) 'Manufacture' means producing, propagating, preparing, compounding, converting or processing a marijuana item, either directly or indirectly, by extracting from substances of natural origin.
- "(b) 'Manufacture' includes any packaging or repackaging of a marijuana item or the labeling or relabeling of a container containing a marijuana item.
- "[(17)(a)] (18)(a) 'Marijuana' means the plant Cannabis family
 Cannabaceae, any part of the plant Cannabis family Cannabaceae and
 marijuana seeds.

- "(b) 'Marijuana' does not include:
- 2 "(A) Industrial hemp, as defined in ORS 571.269; or
- 3 "(B) Prescription drugs, as that term is defined in ORS 689.005, including
- 4 those containing one or more cannabinoids, that are approved by the United
- 5 States Food and Drug Administration and dispensed by a pharmacy, as de-
- 6 fined in ORS 689.005.
- 7 "[(18)] (19) 'Marijuana flowers' means the flowers of the plant genus
- 8 Cannabis within the plant family Cannabaceae.
- 9 "[(19)] (20) 'Marijuana items' means marijuana, cannabinoid products,
- 10 cannabinoid concentrates and cannabinoid extracts.
- "[(20)] (21) 'Marijuana leaves' means the leaves of the plant genus
- 12 Cannabis within the plant family Cannabaceae.
- "[(21)] (22) 'Marijuana processor' means a person that processes
- 14 marijuana items in this state.
- "[(22)] (23) 'Marijuana producer' means a person that produces marijuana
- in this state.
- "[(23)] (24) 'Marijuana retailer' means a person that sells marijuana items
- to a consumer in this state.
- "[(24)(a)] (25)(a) 'Marijuana seeds' means the seeds of the plant Cannabis
- 20 family Cannabaceae.
- "(b) 'Marijuana seeds' does not include the seeds of industrial hemp, as
- 22 defined in ORS 571.269.
- "[(25)] (26) 'Marijuana wholesaler' means a person that purchases
- 24 marijuana items in this state for resale to a person other than a consumer.
- "[(26)] (27) 'Mature marijuana plant' means a marijuana plant that is not
- 26 an immature marijuana plant.
- "[(27)] (28) 'Medical grade cannabinoid product, cannabinoid concentrate
- or cannabinoid extract' means a cannabinoid product, cannabinoid concen-
- 29 trate or cannabinoid extract that has a concentration of
- 30 tetrahydrocannabinol that is permitted under ORS 475B.625 in a single

- serving of the cannabinoid product, cannabinoid concentrate or cannabinoid
- 2 extract for consumers who hold a valid registry identification card issued
- 3 under ORS 475B.797.
- 4 "[(28)] (29) 'Medical purpose' means a purpose related to using usable
- 5 marijuana, cannabinoid products, cannabinoid concentrates or cannabinoid
- 6 extracts to mitigate the symptoms or effects of a debilitating medical condi-
- 7 tion, as defined in ORS 475B.791.
- 8 "[(29)] (30) 'Noncommercial' means not dependent or conditioned upon the
- 9 provision or receipt of financial consideration.
- "[(30)(a)] (31)(a) 'Premises' includes the following areas of a location li-
- 11 censed under ORS 475B.010 to 475B.545:
- 12 "(A) All public and private enclosed areas at the location that are used
- in the business operated at the location, including offices, kitchens, rest
- 14 rooms and storerooms;
- "(B) All areas outside a building that the commission has specifically li-
- 16 censed for the processing, wholesale sale or retail sale of marijuana items;
- 17 and
- 18 "(C) For a location that the commission has specifically licensed for the
- 19 production of marijuana outside a building, that portion of the location used
- 20 to produce marijuana.
- 21 "(b) 'Premises' does not include a primary residence.
- "[(31)(a)] (32)(a) 'Processes' means the processing, compounding or con-
- 23 version of marijuana into cannabinoid products, cannabinoid concentrates
- 24 or cannabinoid extracts.
- 25 "(b) 'Processes' does not include packaging or labeling.
- "[(32)(a)] (33)(a) 'Produces' means the manufacture, planting, cultivation,
- 27 growing or harvesting of marijuana.
- 28 "(b) 'Produces' does not include:
- 29 "(A) The drying of marijuana by a marijuana processor, if the marijuana
- 30 processor is not otherwise producing marijuana; or

- "(B) The cultivation and growing of an immature marijuana plant by a marijuana processor, marijuana wholesaler or marijuana retailer if the marijuana processor, marijuana wholesaler or marijuana retailer purchased or otherwise received the plant from a licensed marijuana producer.
- 5 "[(33)] (34) 'Propagate' means to grow immature marijuana plants or to 6 breed or produce marijuana seeds.
- "[(34)] (35) 'Public place' means a place to which the general public has access and includes, but is not limited to, hallways, lobbies and other parts of apartment houses and hotels not constituting rooms or apartments designed for actual residence, and highways, streets, schools, places of amusement, parks, playgrounds and areas used in connection with public passenger transportation.
- "[(35)] (36) 'Registry identification cardholder' has the meaning given that term in ORS 475B.791.
 - "(37) 'Tetrahydrocannabinol' includes all tetrahydrocannabinols that are artificially or naturally derived, including but not limited to Delta-8 tetrahydrocannabinol and Delta-9 tetrahydrocannabinol and the optical isomers of Delta-8 or Delta-9 tetrahydrocannabinol, and any artificially derived cannabinoid that may reasonably have an intoxicating effect.
- "[(36)(a)] (38)(a) 'Usable marijuana' means the dried leaves and flowers of marijuana.
- "(b) 'Usable marijuana' does not include:
- 24 "(A) Marijuana seeds;

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- 25 "(B) The stalks and roots of marijuana; or
- 26 "(C) Waste material that is a by-product of producing or processing 27 marijuana.
- "SECTION 2. ORS 475B.025 is amended to read:
- 29 "475B.025. (1) The Oregon Liquor Control Commission has the duties, 30 functions and powers specified in ORS 475B.010 to 475B.545 and the powers

- 1 necessary or proper to enable the commission to carry out the commission's
- duties, functions and powers under ORS 475B.010 to 475B.545. The jurisdic-
- 3 tion, supervision, duties, functions and powers of the commission extend to
- 4 any person that produces, processes, transports, delivers, sells or purchases
- 5 a marijuana item in this state. The commission may sue and be sued.
- 6 "(2) The duties, functions and powers of the commission specified in ORS
- 7 475B.010 to 475B.545 include the following:
- 8 "(a) To regulate the production, processing, transportation, delivery, sale
- 9 and purchase of marijuana items in accordance with the provisions of ORS
- 10 475B.010 to 475B.545.
- "(b) To issue, renew, suspend, revoke or refuse to issue or renew licenses
- 12 for the production, processing or sale of marijuana items, or other licenses
- 13 related to the consumption of marijuana items, and to permit, in the
- 14 commission's discretion, the transfer of a license between persons.
- "(c) To adopt, amend or repeal rules as necessary to carry out the intent
- and provisions of ORS 475B.010 to 475B.545, including rules that the com-
- mission considers necessary to protect the public health and safety.
- 18 "(d) To exercise all powers incidental, convenient or necessary to enable
- the commission to administer or carry out the provisions of ORS 475B.010
- 20 to 475B.545 or any other law of this state that charges the commission with
- 21 a duty, function or power related to marijuana. Powers described in this
- 22 paragraph include, but are not limited to:
- 23 "(A) Issuing subpoenas;
- 24 "(B) Compelling the attendance of witnesses;
- 25 "(C) Administering oaths;
- 26 "(D) Certifying official acts;
- 27 "(E) Taking depositions as provided by law;
- 28 "(F) Compelling the production of books, payrolls, accounts, papers, re-
- 29 cords, documents and testimony; and
- 30 "(G) Establishing fees in addition to the application, licensing and re-

- newal fees described in ORS 475B.070, 475B.090, 475B.100 and 475B.105, pro-
- vided that any fee established by the commission is reasonably calculated 2
- not to exceed the cost of the activity for which the fee is charged. 3
- "(e) To adopt rules regulating and prohibiting advertising marijuana 4 items in a manner:
- "(A) That is appealing to minors; 6

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- "(B) That promotes excessive use; 7
- "(C) That promotes illegal activity; or 8
- "(D) That otherwise presents a significant risk to public health and 9 safety. 10
- "(f) To regulate the use of marijuana items for other purposes as deemed 11 necessary or appropriate by the commission. 12
- "(g) To establish pilot programs, of not more than three years in duration, 13 to expand access to marijuana for medical use for registry identification 14 cardholders and designated primary caregivers, as defined in ORS 475B.791. 15
 - "(h) To regulate the processing, transportation, delivery, sale and purchase of artificially derived cannabinoids in accordance with the provisions of ORS 475B.010 to 475B.545.
- "(3) Fees collected pursuant to subsection (2)(d)(G) of this section shall 19 be deposited in the Marijuana Control and Regulation Fund established un-20 der ORS 475B.296. 21
- **"SECTION 3.** ORS 475B.211 is amended to read: 22
- "475B.211. (1) As used in this section, 'marijuana item' includes: 23
- "(a) A marijuana item; and 24
- "(b) An industrial hemp product or commodity that: 25
- "(A) Is found to contain more than 0.3 percent 26 tetrahydrocannabinol; or 27
- "(B) Exceeds the concentration of tetrahydrocannabinol established 28 by the State Department of Agriculture, in conjunction with the 29 Oregon Liquor Control Commission, by rule. 30

- "(2) Except for a marijuana retailer registered under ORS 475B.146 to sell
- 2 or deliver marijuana items to a registry identification cardholder who is 18
- 3 years of age or older, a licensee or licensee representative may not sell or
- 4 deliver a marijuana item to a person under 21 years of age.
- **"SECTION 4.** ORS 475B.227 is amended to read:
- 6 "475B.227. (1) For purposes of this section:
- 7 "(a) 'Export' includes placing a marijuana item in any mode of transpor-
- 8 tation for hire, such as luggage, mail or parcel delivery, even if the trans-
- 9 portation of the marijuana item is intercepted prior to the marijuana item
- 10 leaving this state.
- "(b) 'Marijuana item' includes an industrial hemp [products and com-
- modities product or commodity that:
- "(A) Is found to contain more than 0.3 percent tetrahydrocannabinol;
- 14 **or**

- "(B) Exceeds the concentration of tetrahydrocannabinol established
- 16 by the State Department of Agriculture, in conjunction with the
- 17 Oregon Liquor Control Commission, by rule.
- "(2) A person may not import marijuana items into this state or export
- 19 marijuana items from this state.
- 20 "(3) Except as provided in subsection (4) of this section, a violation of this
- 21 section is a Class B violation.
- "(4) A violation of this section is a:
- 23 "(a) Class A misdemeanor, if the importation or exportation:
- 24 "(A) Is not for consideration and the person holds a license issued under
- 25 ORS 475B.070, 475B.090, 475B.100 or 475B.105; or
- 26 "(B) Concerns an amount of marijuana items that exceeds the applicable
- 27 maximum amount specified in ORS 475B.337 (1)(a) to (f).
- 28 "(b) Class C felony, if the importation or exportation:
- 29 "(A) Is for consideration and the person holds a license issued under ORS
- 30 475B.070, 475B.090, 475B.100 or 475B.105;

- "(B) Concerns an amount of marijuana items that exceeds 16 times the applicable maximum amount specified in ORS 475B.337 (1)(a) to (f); or
- "(C) Concerns a cannabinoid extract that was not purchased from a marijuana retailer that holds a license issued under ORS 475B.105.
- **"SECTION 5.** ORS 475B.254 is amended to read:
- 6 "475B.254. (1) As used in this section:
- "(a) 'Consumer' means a person who purchases, acquires, owns, holds or uses marijuana items other than for the purpose of resale.
- 9 "(b) 'Marijuana item' includes **an** industrial hemp [products and com10 modities] **product or commodity** that:
- "(A) Is found to contain more than 0.3 percent tetrahydrocannabinol;
 or
- "(B) Exceeds the concentration of tetrahydrocannabinol established by the State Department of Agriculture, in conjunction with the Oregon Liquor Control Commission, by rule.
- 16 "(2) A person other than a marijuana retailer that holds a license issued 17 under ORS 475B.105 may not sell marijuana items to a consumer.
 - **"SECTION 6.** ORS 475B.529 is amended to read:
- "475B.529. (1) Notwithstanding the authority granted to the State Department of Agriculture under ORS chapters 571, 618 and 633 and ORS 632.275 to 632.290, 632.450 to 632.490, 632.516 to 632.625, 632.705 to 632.815, 632.835 to 632.850 and 632.900 to 632.985, the department may not exercise authority over marijuana items or a licensee, except that ORS 618.121 to 618.161, 618.991, 618.995, 633.311 to 633.479, 633.992 and 633.994 apply to marijuana items or to a licensee.
- 26 "(2) In exercising its authority under ORS chapter 616, the department 27 may not:
- 28 "(a) Establish standards for marijuana as a food additive, as defined in ORS 616.205;
- 30 "(b) Consider marijuana to be an adulterant, unless the concentration of

- 1 a cannabinoid in a cannabinoid product, cannabinoid concentrate or
- 2 cannabinoid extract exceeds acceptable levels established by the Oregon
- 3 Health Authority by rule; or
- 4 "(c) Apply ORS 616.256, 616.265, 616.270 or 616.275 to cannabinoid edibles
- 5 or enforce ORS 616.256, 616.265, 616.270 or 616.275 with respect to
- 6 cannabinoid edibles.
- 7 "(3) Subsection (2)(b) of this section does not prohibit the depart-
- 8 ment from considering artificially derived cannabinoids to be
- 9 adulterants.
- "SECTION 7. ORS 475B.550 is amended to read:
- 11 "475B.550. As used in ORS 475B.550 to 475B.590:
- "(1) 'Artificially derived cannabinoid' means a chemical compound
- 13 that is manufactured by chemical reaction with any chemical com-
- 14 pound derived from the plant Cannabis family Cannabaceae.
- "[(1)] (2) 'Cannabinoid' means any of the chemical compounds that are the
- 16 active constituents of marijuana.
- "[(2)] (3) 'Cannabinoid concentrate or extract' means a substance obtained
- 18 by separating cannabinoids from marijuana by a mechanical, chemical or
- 19 other process.
- "[(3)] (4) 'Cannabinoid edible' means food or potable liquid into which a
- cannabinoid concentrate or extract or the dried leaves or flowers of
- 22 marijuana have been incorporated.
- "(4)(a)] (5)(a) 'Cannabinoid product' means a cannabinoid edible or any
- other product intended for human consumption or use, including a product
- 25 intended to be applied to a person's skin or hair, that contains cannabinoids
- or the dried leaves or flowers of marijuana.
- "(b) 'Cannabinoid product' does not include:
- 28 "(A) Usable marijuana by itself;
- "(B) A cannabinoid concentrate or extract by itself; or
- "(C) Industrial hemp, as defined in ORS 571.269.

- "[(5)(a)] (6)(a) 'Marijuana' means the plant Cannabis family Cannabaceae,
- 2 any part of the plant Cannabis family Cannabaceae and the seeds of the
- 3 plant Cannabis family Cannabaceae.
- 4 "(b) 'Marijuana' does not include:
 - "(A) Industrial hemp, as defined in ORS 571.269; or
- 6 "(B) Prescription drugs, as that term is defined in ORS 689.005, including
- 7 those containing one or more cannabinoids, that are approved by the United
- 8 States Food and Drug Administration and dispensed by a pharmacy, as de-
- 9 fined in ORS 689.005.

- "[(6)] (7) 'Marijuana item' means marijuana, usable marijuana, a cannabinoid product or a cannabinoid concentrate or extract.
- "[(7)] (8) 'Processing' means the compounding or conversion of marijuana into cannabinoid products or cannabinoid concentrates or extracts.
- "[(8)] (9) 'Producing' means:
- "(a) Planting, cultivating, growing, trimming or harvesting marijuana; or
- 16 "(b) Drying marijuana leaves and flowers.
- "(10) 'Tetrahydrocannabinol' includes all tetrahydrocannabinols
 that are artificially or naturally derived, including but not limited to
 Delta-8 tetrahydrocannabinol and Delta-9 tetrahydrocannabinol and
 the optical isomers of Delta-8 or Delta-9 tetrahydrocannabinol, and
 any artificially derived cannabinoid that may reasonably have an
- 22 intoxicating effect.
- "[(9)(a)] (11)(a) 'Usable marijuana' means the dried leaves and flowers of marijuana.
- 25 "(b) 'Usable marijuana' does not include:
- 26 "(A) The seeds, stalks and roots of marijuana; or
- 27 "(B) Waste material that is a by-product of producing or processing 28 marijuana.
- "SECTION 8. ORS 475B.600 is amended to read:
- 30 "475B.600. As used in ORS 475B.600 to 475B.655:

- "(1) 'Artificially derived cannabinoid' means a chemical compound that is manufactured by chemical reaction with any chemical compound derived from the plant Cannabis family Cannabaceae.
- "[(1)] (2) 'Cannabinoid' means any of the chemical compounds that are the active constituents of marijuana.
- "[(2)] (3) 'Cannabinoid concentrate or extract' means a substance obtained by separating cannabinoids from marijuana by a mechanical, chemical or other process.
- "[(3)] (4) 'Cannabinoid edible' means food or potable liquid into which a cannabinoid concentrate or extract or the dried leaves or flowers of marijuana have been incorporated.
- "[(4)(a)] (5)(a) 'Cannabinoid product' means a cannabinoid edible or any other product intended for human consumption or use, including a product intended to be applied to a person's skin or hair, that contains cannabinoids or the dried leaves or flowers of marijuana.
- "(b) 'Cannabinoid product' does not include:
- "(A) Usable marijuana by itself;
- "(B) A cannabinoid concentrate or extract by itself; or
- "(C) Industrial hemp, as defined in ORS 571.269.
- "[(5)(a)] (6)(a) 'Marijuana' means the plant Cannabis family Cannabaceae, any part of the plant Cannabis family Cannabaceae and the seeds of the plant Cannabis family Cannabaceae.
- 23 "(b) 'Marijuana' does not include:
- 24 "(A) Industrial hemp, as defined in ORS 571.269; or
- "(B) Prescription drugs, as that term is defined in ORS 689.005, including those containing one or more cannabinoids, that are approved by the United States Food and Drug Administration and dispensed by a pharmacy, as defined in ORS 689.005.
- "[(6)] (7) 'Marijuana item' means marijuana, usable marijuana, a cannabinoid product or a cannabinoid concentrate or extract.

- "[(7)] (8) 'Processing' means the compounding or conversion of marijuana into cannabinoid products or cannabinoid concentrates or extracts.
- 3 "[(8)] (9) 'Producing' means:
- 4 "(a) Planting, cultivating, growing, trimming or harvesting marijuana; or
- 5 "(b) Drying marijuana leaves and flowers.
- "(10) 'Tetrahydrocannabinol' includes all tetrahydrocannabinols
 that are artificially or naturally derived, including but not limited to
 Delta-8 tetrahydrocannabinol and Delta-9 tetrahydrocannabinol and
 the optical isomers of Delta-8 or Delta-9 tetrahydrocannabinol, and
 any artificially derived cannabinoid that may reasonably have an
 intoxicating effect.
- "[(9)(a)] (11)(a) 'Usable marijuana' means the dried leaves and flowers of marijuana.
- "(b) 'Usable marijuana' does not include:

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- 15 "(A) The seeds, stalks and roots of marijuana; or
- 16 "(B) Waste material that is a by-product of producing or processing 17 marijuana.
 - **"SECTION 9.** ORS 475B.625 is amended to read:
- 19 "475B.625. (1) The Oregon Health Authority shall adopt rules establishing:
- "(a) The maximum concentration of tetrahydrocannabinol that is permitted in a single serving of a cannabinoid product or cannabinoid concentrate or extract;
 - "(b) In consultation with the Oregon Liquor Control Commission, the maximum concentration of any other cannabinoid or artificially derived cannabinoids that is permitted in a single serving of a cannabinoid product or a cannabinoid concentrate or extract; and
- "[(b)] (c) The number of servings that are permitted in a **package of** cannabinoid product or cannabinoid concentrate or extract [package].
- "(2)(a) In adopting rules under subsection (1)(a) of this section, the authority shall prescribe the different levels of concentration of

- tetrahydrocannabinol that is permitted in a single serving of a cannabinoid product or cannabinoid concentrate or extract for:
- 3 "(A) Consumers who hold a valid registry identification card issued under 4 ORS 475B.797; and
- 5 "(B) Consumers who do not hold a valid registry identification card issued 6 under ORS 475B.797.
- "(b) In prescribing the levels of concentration of tetrahydrocannabinol that is permitted in a single serving of a cannabinoid product or cannabinoid concentrate or extract for consumers who hold a valid registry identification card issued under ORS 475B.797, the authority shall consider the appropriate level of concentration necessary to mitigate the symptoms or effects of a debilitating medical condition, as defined in ORS 475B.791.
 - "(3) In adopting rules under ORS 475B.785 to 475B.949, the authority shall require all usable marijuana, cannabinoid products and cannabinoid concentrates and extracts transferred by a medical marijuana dispensary registered under ORS 475B.858 to meet the concentration standards and [packaging] servings per package standards adopted by rule pursuant to this section.
 - "(4) In adopting rules under ORS 475B.010 to 475B.545, the [Oregon Liquor Control] commission shall require all usable marijuana, cannabinoid products and cannabinoid concentrates and extracts sold or transferred by a marijuana retailer that holds a license under ORS 475B.105 to meet the concentration standards and [packaging] servings per package standards adopted by rule pursuant to this section.
 - "SECTION 10. Section 11 of this 2021 Act is added to and made a part of ORS 571.260 to 571.348.
 - "SECTION 11. The Oregon Health Authority, in conjunction with the State Department of Agriculture shall adopt rules to establish:
 - "(1) The maximum concentration of tetrahydrocannabinol permitted in a single serving of an industrial hemp product;
 - "(2) The maximum concentration of any other cannabinoid or arti-

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- 1 ficially derived cannabinoid that is permitted in a single serving of an
- 2 industrial hemp product; and
- "(3) The number of servings that are permitted in a package of industrial hemp products.
- **"SECTION 12.** ORS 571.269 is amended to read:
- 6 "571.269. As used in ORS 571.260 to 571.348:
- 7 "(1) 'Agricultural hemp seed' means Cannabis seed:
- 8 "(a) That is sold to or intended to be sold to registered growers for 9 planting; or
- "(b) That remains in an unprocessed or partially processed condition that is capable of germination.
 - "(2) 'Artificially derived cannabinoids' has the meaning given that term in ORS 475B.015.
- "[(2)] (3) 'Crop' means industrial hemp grown under a single registration.
- "[(3)] (4) 'Grower' means a person, joint venture or cooperative that produces industrial hemp.
- "[(4)] (5) 'Handler' means a person, joint venture or cooperative that receives industrial hemp for processing into commodities, products or agricultural hemp seed.
- 20 "[(5)] (6) 'Industrial hemp':

- "(a) Except as provided in this paragraph, means all nonseed parts and varieties of the Cannabis plant, whether growing or not, that contain an average concentration of Delta-9 tetrahydrocannabinol [concentration], as defined by the State Department of Agriculture by rule, that does not exceed 0.3 percent on a dry weight basis. The [State] department [of Agriculture, by rule,] may adopt by rule any higher average Delta-9 tetrahydrocannabinol concentration limit established in federal law.
- 28 "(b) Means any Cannabis seed:
- 29 "(A) That is part of a crop;
- 30 "(B) That is retained by a grower for future planting;

- "(C) That is agricultural hemp seed; 1
- "(D) That is for processing into or for use as agricultural hemp seed; or 2
- "(E) That has been processed in a manner or to an extent that the 3
- Cannabis seed is incapable of germination. 4
- "(c) Does not mean industrial hemp commodities or products. 5
- "[(6)] (7) 'Industrial hemp concentrate' means an industrial hemp product 6
- obtained by separating cannabinoids from industrial hemp by: 7
- "(a) A mechanical process; 8

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- "(b) A chemical extraction process using a nonhydrocarbon-based solvent, 9 such as water, vegetable glycerin, vegetable oils, animal fats, isopropyl al-10 cohol or ethanol;
- "(c) A chemical extraction process using carbon dioxide, provided that the 12 process does not involve the use of high heat or pressure; or 13
- "(d) Any other process identified by the department by rule. 14
- "[(7)] (8) 'Industrial hemp extract' means an industrial hemp product ob-15 tained by separating cannabinoids from industrial hemp by: 16
- "(a) A chemical extraction process using a hydrocarbon-based solvent, 17 such as butane, hexane or propane; 18
- "(b) A chemical extraction process using carbon dioxide, if the process 19 uses high heat or pressure; or 20
 - "(c) Any other process identified by the department by rule.
- "(9) 'Tetrahydrocannabinol' has the meaning given that term in 22 ORS 475B.015. 23
 - **"SECTION 13.** ORS 571.272 is amended to read:
- "571.272. (1) Industrial hemp is an agricultural product that is subject to 25 regulation by the State Department of Agriculture. 26
- "(2)(a) For purposes of ORS chapter 616, the department may not consider 27 industrial hemp or industrial hemp commodities or products to be an 28 adulterant. 29
 - "(b) Paragraph (a) of this subsection does not prohibit the depart-

- 1 ment from considering artificially derived cannabinoids to be 2 adulterants.
- **"SECTION 14.** ORS 571.281 is amended to read:
- 4 "571.281. (1) To grow or handle industrial hemp, a person must be regis-
- 5 tered with the State Department of Agriculture as a grower or handler.
- 6 "(2)(a) Only a grower or handler registered under this section may
- 7 produce agricultural hemp seed. For a grower or handler to produce agri-
- 8 cultural hemp seed, the grower or handler must be registered with the de-
- 9 partment as an agricultural hemp seed producer.
- "(b) Notwithstanding paragraph (a) of this subsection:
- "(A) A grower registered under this section that retains agricultural hemp
- seed for the purpose of personally propagating industrial hemp in a subse-
- 13 quent year is not required to register with the department as an agricultural
- 14 hemp seed producer; and
- 15 "(B) A grower or handler registered under this section that produces
- 16 Cannabis seeds that are incapable of germination, or a handler registered
- 17 under this section that processes Cannabis seeds that are incapable of
- 18 germination into commodities or products, is not required to register with
- 19 the department as an agricultural hemp seed producer.
- 20 "(3) An applicant for registration under this section must submit to the
- department, in a form and manner prescribed by the department, the follow-
- 22 ing information:
- 23 "(a) The name and address of the applicant;
- 24 "(b) The name and address of the industrial hemp operation of the appli-
- 25 cant; and
- 26 "(c) Any other information required by the department by rule.
- 27 "(4) Registration under this section is valid for a one-year term, beginning
- on January 1. A grower, handler or agricultural hemp seed producer may
- 29 renew a registration under this section in a form and manner prescribed by
- 30 the department.

- "(5) A registration under this section is a personal privilege and is not transferable.
- "(6) A grower or handler registered under this section must keep records
 as required by the department by rule. Upon not less than three days' notice,
 the department may subject the records to inspection or audit during normal
 business hours. The department may make an inspection or audit for the
- 7 nurnose of ensuring compliance with:
- 7 purpose of ensuring compliance with:

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- 8 "(a) A provision of ORS 571.260 to 571.348;
- 9 "(b) A rule adopted under a provision of ORS 571.260 to 571.348; or
- "(c) An order issued by the department pursuant to a provision of ORS 571.260 to 571.348 or a rule adopted under a provision of ORS 571.260 to 571.348.
 - "(7) In addition to any inspection conducted pursuant to ORS 561.275, the department may inspect any crop during the crop's growth phase and take a representative composite sample for field analysis. If a crop contains an average **Delta-9** tetrahydrocannabinol concentration exceeding 0.3 percent on a dry weight basis or a **Delta-9** tetrahydrocannabinol concentration exceeding the concentration allowed under federal law, whichever is greater, the department may detain, seize or embargo the crop as provided under ORS 561.605 to 561.620, subject to any process established under ORS 571.345.
 - "(8) The department may charge growers, handlers and agricultural hemp seed producers application fees, registration and renewal of registration fees, administrative change fees and fees for other services in amounts reasonably calculated by the department to pay the cost of administering ORS 571.260 to 571.348. Moneys from fees charged under this subsection shall be deposited in the Industrial Hemp Fund established under ORS 571.278.
 - "(9) The department may adopt rules establishing public health and safety standards and industry best practices for growers and handlers registered under this section.
 - **"SECTION 15.** ORS 571.341 is amended to read:

- 1 "571.341. (1) As used in this section:
- "(a) 'Consumer' has the meaning given that term in ORS 475B.015.
- "(b) 'Retailer' means a person licensed under ORS 475B.105.
- 4 "(2) Industrial hemp products that contain more than 0.3 percent
- 5 tetrahydrocannabinol, and industrial hemp products or commodities
- 6 that are found to exceed a limit of tetrahydrocannabinol established
- 7 by the State Department of Agriculture by rule, may not be sold to a
- 8 consumer by a person other than a retailer.
- 9 "(3) The Oregon Liquor Control Commission shall adopt rules establishing
- measures the commission deems necessary for ensuring compliance with this
- 11 section.

- "(4) The department may adopt rules as necessary to carry out this
- 13 section.
- "SECTION 16. (1) Section 11 of this 2021 Act and the amendments
- 15 to ORS 475B.015, 475B.025, 475B.227, 475B.254, 475B.529, 475B.550,
- 16 475B.600, 475B.625, 571.269, 571.272, 571.281 and 571.341 by sections 1, 2,
- 4 to 9 and 12 to 15 of this 2021 Act become operative on January 1, 2022.
- 18 "(2) The Oregon Health Authority, the Oregon Liquor Control
- 19 Commission and the State Department of Agriculture may take any
- 20 action before the operative date specified in subsection (1) of this sec-
- 21 tion that is necessary to enable the authority, the commission and the
- 22 department to exercise, on and after the operative date specified in
- 23 subsection (1) of this section, all of the duties, functions and powers
- 24 conferred on the authority, the commission and the department by
- 25 section 12 of this 2021 Act and the amendments to ORS 475B.015,
- 26 475B.025, 475B.227, 475B.254, 475B.529, 475B.550, 475B.600, 475B.625,
- 27 475B.791, 571.269, 571.272, 571.281 and 571.341 by sections 1, 2, 4 to 10 and
- 28 13 to 15 of this 2021 Act.
- "SECTION 17. (1) The Task Force on Cannabis-Derived Intoxicants
- 30 is established.

- "(2) The task force consists of nine members appointed as follows:
- "(a) The President of the Senate shall appoint one member from among the members of the Senate;
- "(b) The Senate Minority Leader shall appoint one member from among the members of the Senate;
- 6 "(c) The Speaker of the House of Representatives shall appoint one 7 member from among the members of the House of Representatives;
- 8 "(d) The House Minority Leader shall appoint one member from 9 among the members of the House of Representatives; and
 - "(e) The Governor shall appoint five members as follows:
 - "(A) One member who represents counties in this state;
- "(B) One member who represents cities in this state;
- 13 "(C) One member who represents law enforcement agencies;
- 14 "(D) The Director of Agriculture, or a designee of the director; and
- 15 "(E) The administrator of the Oregon Liquor Control Commission, 16 or a designee of the administrator.
- 17 "(3) The task force shall consider:

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- "(a) Changes to state law to support the regulation of intoxicating cannabis-derived products and artificially derived cannabinoids;
- 20 "(b) The consolidation of administrative functions related to the 21 regulation of cannabis;
 - "(c) Methods to prevent sales to minors of industrial hemp commodities or products that contain intoxicating cannabinoids;
 - "(d) Regulation to address genetic engineering of cannabis;
- "(e) Testing requirements and methods of enforcement of testing requirements for cannabinoids, including artificially derived cannabinoids, to protect the public health and safety;
- 28 "(f) Policy changes related to interstate commerce and transporta-29 tion of cannabis;
 - "(g) Changes to state regulation of cannabis as a result of federal

1 laws; and

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- 2 "(h) Input from marijuana and industrial hemp industry members.
- 3 "(4) A majority of the voting members of the task force constitutes 4 a quorum for the transaction of business.
- 5 "(5) Official action by the task force requires the approval of a 6 majority of the voting members of the task force.
- 7 "(6) The task force shall elect one of its members to serve as 8 chairperson.
- 9 "(7) If there is a vacancy for any cause, the appointing authority 10 shall make an appointment to become immediately effective.
- "(8) The task force shall meet at times and places specified by the call of the chairperson or of a majority of the voting members of the task force.
- "(9) The task force may adopt rules necessary for the operation of the task force.
 - "(10)(a) The task force shall submit a report in the manner provided by ORS 192.245, and shall include initial findings and recommendations for legislation, to the interim committee of the Legislative Assembly related to economic development no later than December 31, 2021.
 - "(b) The task force shall submit a report in the manner provided by ORS 192.245, and shall include final findings and recommendations for legislation, to the interim committee of the Legislative Assembly related to economic development no later than December 31, 2022.
- "(11) The Oregon Liquor Control Commission and the State Department of Agriculture, in consultation with the Oregon Health Authority and the Department of Revenue, shall provide staff support to the task force.
- "(12) Members of the Legislative Assembly appointed to the task force are nonvoting members of the task force and may act in an advisory capacity only.

"(13) Members of the task force who are not members of the Legislative Assembly are not entitled to compensation or reimbursement for expenses and serve as volunteers on the task force.

"(14) All agencies of state government, as defined in ORS 174.111, are directed to assist the task force in the performance of the duties of the task force and, to the extent permitted by laws relating to confidentiality, to furnish information and advice the members of the task force consider necessary to perform their duties.

9 "SECTION 18. Section 17 of this 2021 Act is repealed on January 2, 10 2023.

"SECTION 19. This 2021 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect on its passage."

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