

A-Engrossed
Senate Bill 1531

Ordered by the Senate February 14
Including Senate Amendments dated February 14

Sponsored by Senators HANSELL, MONROE, STARR; Senators BAERTSCHIGER JR, BOQUIST, CLOSE, FERRIOLI, GIROD, JOHNSON, KNOPP, KRUSE, OLSEN, THOMSEN, WHITSETT, WINTERS, Representatives ESQUIVEL, JENSON, THOMPSON, WHISNANT (at the request of Association of Oregon Counties and League of Oregon Cities) (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Specifies that governing body of city or county may [*regulate or restrict operation of medical marijuana facility, prohibit registration of medical marijuana facility, or regulate, restrict or prohibit storing or dispensing of marijuana by facility legally authorized to store or dispense marijuana*] **adopt ordinances that impose reasonable regulations on operation of medical marijuana facilities.**

Declares emergency, effective March 1, 2014.

A BILL FOR AN ACT

1
2 Relating to marijuana facilities; creating new provisions; amending ORS 475.314; and declaring an
3 emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. Section 2 of this 2014 Act is added to and made a part of ORS 475.300 to**
6 **475.346.**

7 **SECTION 2. Notwithstanding ORS 633.738, the governing body of a city or county may**
8 **adopt ordinances that impose reasonable regulations on the operation of medical marijuana**
9 **facilities registered, or applying for registration, under ORS 475.314 that are located in the**
10 **area subject to the jurisdiction of the city or county. For purposes of this section, reasonable**
11 **regulations include reasonable limitations on the hours during which a medical marijuana**
12 **facility may be operated, reasonable limitations on where a medical marijuana facility may**
13 **be located within a zone described in ORS 475.314 (3)(a) and reasonable conditions on the**
14 **manner in which a medical marijuana facility dispenses medical marijuana.**

15 **SECTION 3. ORS 475.314 is amended to read:**

16 475.314. (1) The Oregon Health Authority shall establish by rule a medical marijuana facility
17 registration system to authorize the transfer of usable marijuana and immature marijuana plants
18 from:

19 (a) A registry identification cardholder, the designated primary caregiver of a registry identifi-
20 cation cardholder, or a person responsible for a marijuana grow site to the medical marijuana fa-
21 cility; or

22 (b) A medical marijuana facility to a registry identification cardholder or the designated primary
23 caregiver of a registry identification cardholder.

24 (2) The registration system established under subsection (1) of this section must require a med-
ical marijuana facility to submit an application to the authority that includes:

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

- 1 (a) The name of the person responsible for the medical marijuana facility;
- 2 (b) The address of the medical marijuana facility;
- 3 (c) Proof that the person responsible for the medical marijuana facility is a resident of Oregon;
- 4 (d) Documentation, as required by the authority by rule, that demonstrates the medical
5 marijuana facility meets the qualifications for a medical marijuana facility as described in sub-
6 section (3) of this section; and
- 7 (e) Any other information that the authority considers necessary.
- 8 (3) To qualify for registration under this section, a medical marijuana facility:
- 9 (a) Must be located in an area that is zoned for commercial, industrial or mixed use or as ag-
10 ricultural land; *[and]*
- 11 (b) May not be located at the same address as a marijuana grow site;
- 12 *[(b)]* (c) Must be registered as a business or have filed a pending application to register as a
13 business with the Office of the Secretary of State;
- 14 *[(c)]* (d) Must not be located within 1,000 feet of the real property comprising a public or private
15 elementary, secondary or career school attended primarily by minors;
- 16 *[(d)]* (e) Must not be located within 1,000 feet of another medical marijuana facility; and
- 17 *[(e)]* (f) Must comport with rules adopted by the authority related to:
- 18 (A) Installing a minimum security system, including a video surveillance system, alarm system
19 and safe; and
- 20 (B) Testing for pesticides, mold and mildew and the processes by which usable marijuana and
21 immature marijuana plants that test positive for pesticides, mold or mildew must be returned to the
22 registry identification cardholder, the cardholder's designated primary caregiver or the cardholder's
23 registered grower.
- 24 (4)(a) The authority shall conduct a criminal records check under ORS 181.534 of a person whose
25 name is submitted as the person responsible for a medical marijuana facility under subsection (2)
26 of this section.
- 27 (b) A person convicted for the manufacture or delivery of a controlled substance in Schedule I
28 or Schedule II may not be the person responsible for a medical marijuana facility for five years from
29 the date the person is convicted.
- 30 (c) A person convicted more than once for the manufacture or delivery of a controlled substance
31 in Schedule I or Schedule II may not be the person responsible for a medical marijuana facility.
- 32 (5) If a person submits the application required under subsection (2) of this section, the medical
33 marijuana facility identified in the application meets the qualifications for a medical marijuana fa-
34 cility described in subsection (3) of this section and the person responsible for the medical marijuana
35 facility passes the criminal records check required under subsection (4) of this section, the authority
36 shall register the medical marijuana facility and issue the person responsible for the medical
37 marijuana facility proof of registration. The person responsible for the medical marijuana facility
38 shall display the proof of registration on the premises of the medical marijuana facility at all times
39 when usable marijuana or immature marijuana plants are being transferred as described in sub-
40 section (1) of this section.
- 41 (6)(a) A registered medical marijuana facility may receive usable marijuana or immature
42 marijuana plants only from a registry identification cardholder, designated primary caregiver or
43 person responsible for a marijuana grow site if the registered medical marijuana facility obtains
44 authorization, on a form prescribed by the authority by rule and signed by a registry identification
45 cardholder, to receive the usable marijuana or immature marijuana plants.

1 (b) A registered medical marijuana facility shall maintain:

2 (A) A copy of each authorization form described in paragraph (a) of this subsection; and

3 (B) Documentation of each transfer of usable marijuana or immature marijuana plants.

4 (7) A medical marijuana facility registered under this section may possess usable marijuana and
5 immature marijuana plants in excess of the limits imposed on registry identification cardholders and
6 designated primary caregivers under ORS 475.320.

7 (8) The authority may inspect:

8 (a) The premises of an applicant for a medical marijuana facility or a registered medical
9 marijuana facility to ensure compliance with the qualifications for a medical marijuana facility de-
10 scribed in subsection (3) of this section; and

11 (b) The records of a registered medical marijuana facility to ensure compliance with subsection
12 (6)(b) of this section.

13 (9)(a) A registry identification cardholder or the designated primary caregiver of a registry
14 identification cardholder may reimburse a medical marijuana facility registered under this section
15 for the normal and customary costs of doing business, including costs related to transferring, han-
16 dling, securing, insuring, testing, packaging and processing usable marijuana and immature
17 marijuana plants and the cost of supplies, utilities and rent or mortgage.

18 (b) A medical marijuana facility may reimburse a person responsible for a marijuana grow site
19 under this section for the normal and customary costs of doing business, including costs related to
20 transferring, handling, securing, insuring, testing, packaging and processing usable marijuana and
21 immature marijuana plants and the cost of supplies, utilities and rent or mortgage.

22 (10) The authority may revoke the registration of a medical marijuana facility registered under
23 this section for failure to comply with ORS 475.300 to 475.346, [or] rules adopted under ORS 475.300
24 to 475.346 **or ordinances adopted pursuant to section 2 of this 2014 Act**. The authority may re-
25 lease to the public a final order revoking a medical marijuana facility registration.

26 (11) The authority shall adopt rules to implement this section, including rules that:

27 (a) Require a medical marijuana facility registered under this section to annually renew that
28 registration; and

29 (b) Establish fees for registering and renewing registration for a medical marijuana facility un-
30 der this section.

31 **SECTION 4. This 2014 Act being necessary for the immediate preservation of the public**
32 **peace, health and safety, an emergency is declared to exist, and this 2014 Act takes effect**
33 **March 1, 2014.**

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