Minority Report A-Engrossed Senate Bill 1556

Ordered by the Senate February 17 Including Senate Minority Report Amendments dated February 17

Sponsored by nonconcurring members of the Senate Committee on Judiciary: Senators CLOSE, KRUSE

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.

[Declares that person 21 years of age or older legally should be able to possess, transfer or produce marijuana. Directs Legislative Assembly to enact laws that define, limit or otherwise regulate possession, transfer, production and taxation of marijuana. Specifies certain components of such laws.]

[Makes possession of marijuana in certain amounts legal.]

[Becomes operative January 1, 2015.]

[Refers Act to people for their approval or rejection at next regular general election.]

Provides that medical marijuana facility may not be located within 1,000 feet of preschool.

Creates standards for transference of tetrahydrocannabinol-infused products by medical marijuana facilities.

1 A BILL FOR AN ACT

- 2 Relating to marijuana; amending ORS 475.314.
- Be It Enacted by the People of the State of Oregon:
- 4 **SECTION 1.** ORS 475.314 is amended to read:
 - 475.314. (1) The Oregon Health Authority shall establish by rule a medical marijuana facility registration system to authorize the transfer of usable marijuana and immature marijuana plants from:
 - (a) A registry identification cardholder, the designated primary caregiver of a registry identification cardholder, or a person responsible for a marijuana grow site to the medical marijuana facility; or
 - (b) A medical marijuana facility to a registry identification cardholder or the designated primary caregiver of a registry identification cardholder.
 - (2) The registration system established under subsection (1) of this section must require a medical marijuana facility to submit an application to the authority that includes:
 - (a) The name of the person responsible for the medical marijuana facility;
 - (b) The address of the medical marijuana facility;
 - (c) Proof that the person responsible for the medical marijuana facility is a resident of Oregon;
 - (d) Documentation, as required by the authority by rule, that demonstrates the medical marijuana facility meets the qualifications for a medical marijuana facility as described in subsection (3) of this section; and
 - (e) Any other information that the authority considers necessary.
 - (3) To qualify for registration under this section, a medical marijuana facility:

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.

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- (a) Must be located in an area that is zoned for commercial, industrial or mixed use or as agricultural land; [and]
 - (b) May not be located at the same address as a marijuana grow site;

- [(b)] (c) Must be registered as a business or have filed a pending application to register as a business with the Office of the Secretary of State;
- [(c)] (d) Must not be located within 1,000 feet of the real property comprising a public or private preschool or a public or private elementary, secondary or career school attended primarily by minors;
 - [(d)] (e) Must not be located within 1,000 feet of another medical marijuana facility; and
- [(e)] (f) Must comport with rules adopted by the authority related to:
- (A) Installing a minimum security system, including a video surveillance system, alarm system and safe; and
- (B) Testing for pesticides, mold and mildew and the processes by which usable marijuana and immature marijuana plants that test positive for pesticides, mold or mildew must be returned to the registry identification cardholder, the cardholder's designated primary caregiver or the cardholder's registered grower.
- (4)(a) The authority shall conduct a criminal records check under ORS 181.534 of a person whose name is submitted as the person responsible for a medical marijuana facility under subsection (2) of this section.
- (b) A person convicted for the manufacture or delivery of a controlled substance in Schedule I or Schedule II may not be the person responsible for a medical marijuana facility for five years from the date the person is convicted.
- (c) A person convicted more than once for the manufacture or delivery of a controlled substance in Schedule I or Schedule II may not be the person responsible for a medical marijuana facility.
- (5) If a person submits the application required under subsection (2) of this section, the medical marijuana facility identified in the application meets the qualifications for a medical marijuana facility described in subsection (3) of this section and the person responsible for the medical marijuana facility passes the criminal records check required under subsection (4) of this section, the authority shall register the medical marijuana facility and issue the person responsible for the medical marijuana facility shall display the proof of registration. The person responsible for the medical marijuana facility at all times when usable marijuana or immature marijuana plants are being transferred as described in subsection (1) of this section.
- (6)(a) A registered medical marijuana facility may receive usable marijuana or immature marijuana plants only from a registry identification cardholder, designated primary caregiver or person responsible for a marijuana grow site if the registered medical marijuana facility obtains authorization, on a form prescribed by the authority by rule and signed by a registry identification cardholder, to receive the usable marijuana or immature marijuana plants.
 - (b) A registered medical marijuana facility shall maintain:
 - (A) A copy of each authorization form described in paragraph (a) of this subsection; and
 - (B) Documentation of each transfer of usable marijuana or immature marijuana plants.
- (7) A medical marijuana facility registered under this section may possess usable marijuana and immature marijuana plants in excess of the limits imposed on registry identification cardholders and designated primary caregivers under ORS 475.320.
- (8)(a) A registered medical marijuana facility may not transfer any

- tetrahydrocannabinol-infused product that is meant to be swallowed or inhaled, unless the product:
- (A) Is packaged in child-resistant safety packaging that meets standards established by the authority by rule;
- (B) Is packaged in plastic that is four millimeters or greater in thickness, is heat sealed and has no tab, dimple, corner or flap that makes opening the package easier; or
 - (C) If in liquid form, is bottled and sealed with a metal crown cork bottle cap.
- (b) A registered medical marijuana facility may not transfer any tetrahydrocannabinolinfused product that is manufactured or packaged in a manner that is attractive to minors, as determined by the authority by rule.
 - [(8)] (9) The authority may inspect:
- (a) The premises of an applicant for a medical marijuana facility or a registered medical marijuana facility to ensure compliance with the qualifications for a medical marijuana facility described in subsection (3) of this section; and
- (b) The records of a registered medical marijuana facility to ensure compliance with subsection (6)(b) of this section.
- [(9)(a)] (10)(a) A registry identification cardholder or the designated primary caregiver of a registry identification cardholder may reimburse a medical marijuana facility registered under this section for the normal and customary costs of doing business, including costs related to transferring, handling, securing, insuring, testing, packaging and processing usable marijuana and immature marijuana plants and the cost of supplies, utilities and rent or mortgage.
- (b) A medical marijuana facility may reimburse a person responsible for a marijuana grow site under this section for the normal and customary costs of doing business, including costs related to transferring, handling, securing, insuring, testing, packaging and processing usable marijuana and immature marijuana plants and the cost of supplies, utilities and rent or mortgage.
- [(10)] (11) The authority may revoke the registration of a medical marijuana facility registered under this section for failure to comply with ORS 475.300 to 475.346 or rules adopted under ORS 475.300 to 475.346. The authority may release to the public a final order revoking a medical marijuana facility registration.
 - [(11)] (12)(a) The authority shall adopt rules to implement this section, including rules that:
- [(a)] (A) Require a medical marijuana facility registered under this section to annually renew that registration; and
- [(b)] (B) Establish fees for registering and renewing registration for a medical marijuana facility under this section.
- (b) In adopting rules under subsection (8)(a)(A) of this section, the authority shall consider standards established under and pursuant to the federal Poison Prevention Packaging Act.