

**PROPOSED AMENDMENTS TO  
HOUSE BILL 2040**

1 On page 1 of the printed bill, line 2, delete “creating new provisions;  
2 amending ORS 475.314;” and insert “amending sections 5 and 20, chapter 1,  
3 Oregon Laws 2015;”.

4 Delete lines 4 through 30 and delete pages 2 through 5 and insert:

5 “**SECTION 1.** Section 5, chapter 1, Oregon Laws 2015, is amended to read:

6 “**Sec. 5.** As used in sections 3 to 70, chapter 1, Oregon Laws 2015 [*of*  
7 *this Act*]:

8 “(1) ‘Authority’ means the Oregon Health Authority.

9 “(2) ‘Commission’ means the Oregon Liquor Control Commission.

10 “(3) ‘Consumer’ means a person who purchases, acquires, owns, holds[,]  
11 or uses marijuana items other than for the purpose of resale.

12 “(4) ‘Department’ means the State Department of Agriculture.

13 “(5)(a) [*Financial consideration, except as provided in paragraph (b) of*  
14 *this subsection,*] ‘**Financial consideration**’ means value that is given or re-  
15 ceived directly or indirectly through sales, barter, trade, fees, charges, dues,  
16 contributions or donations.

17 “(b) ‘Financial consideration’ does not mean any of the following:

18 “(A) Homegrown marijuana made by another person.

19 “(B) Homemade marijuana products made by another person.

20 “(6) ‘Homegrown’ or ‘homemade’ means grown or made by a person 21  
21 years of age or older for noncommercial purposes.

22 “(7) ‘Household’ means a housing unit[,] and [*includes*] any place in or

1 around the housing unit at which the occupants of the housing unit are  
2 producing, processing, keeping[,] or storing homegrown marijuana or home-  
3 made marijuana products.

4 “(8) ‘Housing unit’ means a house, an apartment[,] or a mobile home, or  
5 a group of rooms[,] or a single room that is occupied as separate living  
6 quarters, in which the occupants live and eat separately from any other  
7 persons in the building and [*which have*] **that has** direct access from the  
8 outside of the building or through a common hall.

9 “(9) ‘Immature marijuana plant’ means a marijuana plant with no ob-  
10 servable flowers or buds.

11 “(10) ‘Licensee’ means any person holding a license issued under **sections**  
12 **3 to 70, chapter 1, Oregon Laws 2015** [*this Act*], or any person holding a  
13 license or permit issued under any [*regulation promulgated*] **rule adopted**  
14 under **section 7 (2)(e), chapter 1, Oregon Laws 2015** [*paragraph (e) of*  
15 *subsection (2) of section 7 of this Act*].

16 “(11) ‘Licensee representative’ means an owner, director, officer, manager,  
17 employee, agent[,] or other representative of a licensee, to the extent [*such*]  
18 **the person acts in [*such*] a representative capacity.**

19 “(12)(a) ‘Marijuana’ means all parts of the plant Cannabis family  
20 Moraceae, whether growing or not, other than marijuana extracts.

21 “(b) ‘Marijuana’ does not include industrial hemp, as defined in ORS  
22 571.300, or industrial hemp commodities or products.

23 “(13) ‘Marijuana extract’ means a product obtained by separating resins  
24 from marijuana by solvent extraction, using solvents other than vegetable  
25 glycerin, such as butane, hexane, isopropyl alcohol, ethanol[,] and carbon  
26 dioxide.

27 “(14)(a) ‘Marijuana flowers’ means the flowers of the plant Cannabis  
28 family Moraceae.

29 “(b) ‘Marijuana flowers’ does not include any part of the plant other than  
30 the flowers.

1       “(15) ‘Marijuana items’ means marijuana, marijuana products[,] and  
2 marijuana extracts.

3       “(16)(a) ‘Marijuana leaves’ means the leaves of the plant Cannabis family  
4 Moraceae.

5       “(b) ‘Marijuana leaves’ does not include any part of the plant other than  
6 the leaves.

7       “(17) ‘Marijuana processor’ means a person who processes marijuana  
8 items in this state.

9       “(18) ‘Marijuana producer’ means a person who produces marijuana in  
10 this state.

11       “[(19)(a) *Marijuana products’ means products that contain marijuana or*  
12 *marijuana extracts and are intended for human consumption.*]

13       “(19)(a) ‘Marijuana products’ means:

14       “(A) **Food or potable liquid or any other product intended for oral**  
15 **consumption into which marijuana or a marijuana extract has been**  
16 **incorporated;**

17       “(B) **Lotion, cream, gel, balm, oil, ointment or any other product**  
18 **meant to be applied to the surfaces of a person’s body, including skin**  
19 **and hair, into which marijuana or a marijuana extract has been in-**  
20 **corporated; and**

21       “(C) **Products containing cannabinoids other than those products**  
22 **described in subparagraphs (A) and (B) of this paragraph and other**  
23 **than marijuana extracts.**

24       “(b) ‘Marijuana products’ does not mean:

25       “(A) Marijuana, by itself; or

26       “(B) A marijuana extract, by itself.

27       “(20) ‘Marijuana retailer’ means a person who sells marijuana items to a  
28 consumer in this state.

29       “(21) ‘Marijuana wholesaler’ means a person who purchases marijuana  
30 items in this state for resale to a person other than a consumer in this state.

1       “(22) ‘Mature marijuana plant’ means any marijuana plant that is not an  
2 immature marijuana plant.

3       “(23) ‘Noncommercial’ means not dependent or conditioned upon the pro-  
4 vision or receipt of financial consideration.

5       “(24) ‘Person’ means any natural person, corporation, professional corpo-  
6 ration, nonprofit corporation, cooperative corporation, profit or nonprofit  
7 unincorporated association, business trust, limited liability company, general  
8 or limited partnership, joint venture[,] or any other legal entity.

9       “(25) ‘Premises’ or ‘licensed premises’ means a location licensed under  
10 sections 3 to 70, **chapter 1, Oregon Laws 2015**, [*of this Act*] and includes:

11       “(a) All enclosed areas at the location that are used in the business op-  
12 erated at the location, including offices, kitchens, rest rooms and storerooms,  
13 including all public and private areas;

14       “(b) All areas outside [*of*] a building that the Oregon Liquor Control  
15 Commission has specifically licensed for the production, processing, whole-  
16 sale sale[,] or retail sale of marijuana items; and

17       “(c) For a location that the commission has specifically licensed for the  
18 production of marijuana outside [*of*] a building, the entire lot or parcel, as  
19 defined in ORS 92.010, that the licensee owns, leases[,] or has a right to oc-  
20 cupy.

21       “(26)(a) ‘Processes’ means:

22       “(A) The processing, compounding[,] or conversion of marijuana into  
23 marijuana products or marijuana extracts;

24       “(B) The processing, compounding[,] or conversion of marijuana, either  
25 directly or indirectly by extraction from substances of natural origin, or in-  
26 dependently by means of chemical synthesis, or by a combination of ex-  
27 traction and chemical synthesis;

28       “(C) The packaging or repackaging of marijuana items; or

29       “(D) The labeling or relabeling of any package or container of marijuana  
30 items.

1       “(b) ‘Processes’ does not include:

2       “(A) The drying of marijuana by a marijuana producer, if the marijuana  
3 producer is not otherwise processing marijuana; or

4       “(B) The packaging and labeling of marijuana by a marijuana producer  
5 in preparation for delivery to a marijuana processor.

6       “(27)(a) ‘Produces’ means the manufacture, planting, cultivation,  
7 growing[,] or harvesting of marijuana.

8       “(b) ‘Produces’ does not include:

9       “(A) The drying of marijuana by a marijuana processor, if the marijuana  
10 processor is not otherwise producing marijuana; or

11       “(B) The cultivation and growing of an immature marijuana plant by a  
12 marijuana processor, marijuana wholesaler[,] or marijuana retailer if the  
13 marijuana processor, marijuana wholesaler[,] or marijuana retailer purchased  
14 or otherwise received the plant from a licensed marijuana producer.

15       “(28) ‘Public place’ means a place to which the general public has access  
16 and includes, but is not limited to, hallways, lobbies and other parts of  
17 apartment houses and hotels not constituting rooms or apartments designed  
18 for actual residence, and highways, streets, schools, places of amusement,  
19 parks, playgrounds and [premises] areas used in connection with public  
20 passenger transportation.

21       “(29) ‘Usable marijuana’ means dried marijuana flowers and dried  
22 marijuana leaves, and any mixture or preparation [thereof] of the flowers  
23 or leaves.

24       “**SECTION 2.** Section 20, chapter 1, Oregon Laws 2015, is amended to  
25 read:

26       “**Sec. 20.** (1) The processing of marijuana items is subject to regulation  
27 by the Oregon Liquor Control Commission.

28       “(2) For the purpose of regulating the processing of marijuana  
29 items, the commission shall:

30       “(a) Adopt rules for processing food or potable liquid or any other

1 product intended for oral consumption into which marijuana or a  
2 marijuana extract has been incorporated;

3 **“(b) Adopt rules for processing lotion, cream, gel, balm, oil,**  
4 **ointment or any other product meant to be applied to the surfaces of**  
5 **a person’s body, including skin and hair, into which marijuana or**  
6 **marijuana extract has been incorporated;**

7 **“(c) Adopt rules for processing marijuana extracts;**

8 **“(d) Adopt rules for processing marijuana items other than**  
9 **marijuana extracts and marijuana items described in section (19)(a)(A)**  
10 **and (B), chapter 1, Oregon Laws 2015;**

11 **“(e) Adopt rules to regulate the packaging and labeling of**  
12 **marijuana items; and**

13 **“(f) Ensure that the rules prescribed for processing marijuana items**  
14 **pursuant to paragraphs (a) to (e) of this subsection are the least re-**  
15 **strictive means necessary to safeguard the public health and safety.**

16 **“[(2)] (3) A marijuana processor must have a processor license issued by**  
17 **the commission for the premises at which marijuana items are processed.**

18 **“SECTION 3. This 2015 Act being necessary for the immediate**  
19 **preservation of the public peace, health and safety, an emergency is**  
20 **declared to exist, and this 2015 Act takes effect on its passage.”**

21