78th OREGON LEGISLATIVE ASSEMBLY – 2015 Regular Session MEASURE: SB 844-5 PRELIMINARY STAFF MEASURE SUMMARY CARRIER:

Joint Committee on Implementing Measure 91

REVENUE: No revenue impact

FISCAL: May have fiscal impact, statement not yet issued

SUBSEQUENT REFERRAL TO:

Action: Vote:

Yeas: Nays: Exc.:

Prepared By: Adam Crawford, Administrator

Meeting Dates: 3/23, 3/25, 4/1, 4/13

WHAT THE MEASURE DOES: Requires premises licensed by Oregon Liquor Control Commission (OLCC) to only receive marijuana products from other OLCC licensed businesses.

ISSUES DISCUSSED:

- Bonding and liability insurance
- OLCC's process for background checks
- Definitions relating to topicals infused with marijuana
- Age verification equipment

EFFECT OF COMMITTEE AMENDMENT: (-2 amendment) Replaces measure. Requires usable marijuana transferred or sold to be tested. Exempts from testing requirement medical marijuana transferred between medical marijuana grow site and registered cardholder or caregiver. Requires Oregon Liquor Control Commission (OLCC) to adopt rules establishing and fees for laboratory testing license. Requires laboratories conduction testing of marijuana to be accredited by Oregon Health Authority (OHA). Provides additional qualifications for accreditation by OHA. Requires OLCC, in consultation with OHA and Oregon Department of Agriculture, to establish standards for testing usable marijuana. Allows OLCC to impose civil penalty for violations not exceeding \$5,000 per day. Establishes Marijuana Testing Fund. Defines terms.

(-3 amendment) Replaces measure. Requires usable marijuana transferred or sold to be labeled and packaged in manner that ensures public safety. Exempts from labeling and packaging requirement medical marijuana transferred between medical marijuana grow site and registered cardholder or caregiver. Requires Oregon Liquor Control Commission (OLCC), in consultation with Oregon Health Authority (OHA) to adopt rules establishing standards for labeling and packaging. Confirms rules adopted by OHA continue until superseded or repealed by OLCC. Allows OHA to inspect medical marijuana grow sites and medical marijuana facilities to ensure labeling and packaging compliance. Allows OLCC to inspect OLCC licensees to ensure labeling and packaging compliance. Allows OLCC and OHA to impose civil penalty not to exceed \$5,000 per day. Establishes the Marijuana Packaging and Labeling Fund. Defines terms.

(-5 amendment) Replaces measure. Requires time, place and manner regulations adopted by city or county relating to marijuana premises be consistent with city or county comprehensive plans, zoning ordinances and applicable public health and safety laws. Requires Oregon Liquor Control Commission (OLCC) to request land use compatibility statement from city or county planning commission prior to issuance of any license. Prohibits OLCC from issuing license if statement shows proposed land use is prohibited. Prohibits cities and counties from taxing marijuana, marijuana products and OLCC licensees. Confirms marijuana is crop for purposes of exclusive farm use law. Prohibits primary dwelling in conjunction with marijuana crop located on marginal or non-marginal land zoned exclusive farm use. Requires marijuana processor to obtain home occupation permit consistent with city and county regulations. Clarifies production and processing of homegrow products are not subject to time, place and manner restrictions that establish minimum distances between premises and schools.

BACKGROUND: Measure 91 was passed by Oregon voters in 2014. Measure 91 allowed the sale, regulation and taxation of marijuana into a recreational market for people over 21 years of age. It further allows premises to be licensed by the Oregon Liquor Control Commission (OLCC) to grow, process, wholesale, or conduct retail sales of marijuana.

Senate Bill 844 specifies that businesses licensed by OLCC may only receive marijuana products from other business premises licensed by OLCC. The -2 amendment to Senate Bill 844 reflects the work of the Lab Standards workgroup.