



Joint Committee on Implementing Measure 91
900 State St.
Salem, OR 97301

Senator Burdick, Representative Lininger, members of the committee:

My name is Donald Morse and I am Chairman of the Oregon Business Council and owner of the Human Collective Dispensary.

Thank you for the opportunity to speak.

The need to create a level and reliable system of testing all marijuana products is of utmost importance to our industry. The requirements as put forth in the -2 amendments are a critical first step. It is important that legislation be broad enough to empower the upcoming rules advisory committee to do its job, since they will have far more knowledge on the subject. We would caution against attempts to change the amendment by inserting language that would further define testing requirements - such as where and when and how marijuana needs to be tested - as it may have unintended consequences resulting in high costs that will be passed on to the consumer. We feel strongly that the types of test and the sequence of testing should be left up to the industry experts assigned to educate the RAC and craft recommendations.

On page 4 of the -2 amendments Section 6 (1) a. It gives the OLCC, OHA, and the Department of Agriculture authority to adopt minimum standards for testing. Item (a) says they shall establish procedures for tracking usable marijuana to be tested. That is the only mention of tracking in the amendment or in 844 in its current form.

Without a clear system of tracking tested marijuana there can be no assurance to vendors upstream of what they will be getting. Not many would, but one bad apple could replace inferior and untested marijuana for what was tested. OCBC members are also concerned that a system without continuity in tracking will lead to more marijuana finding its way to the black market, most of it over state lines.

In individual meetings you have each heard from OCBC regarding a “bag and tag” system, which would allow the state to track all of the marijuana in the system and where it goes. I’ve submitted a familiar looking, detailed diagram that defines a clear chain of custody from farm to home. A complete system needs to be created and we would recommend that it begin at the testing labs because they are the one common denominator in the entire industry.

Labs can do the bagging in the field and take representative testing samples back for testing - some of the state's most successful labs already do this. Smaller growers can take their marijuana to the lab where certified samples can be taken and then leave with their bags of marijuana to await the testing results. Either way, each state-sanctioned, tamper-proof bag could have a bar code that would be scanned into the states tracking system and stay there until a business scans it into their inventory. This is a fairly standard approach in other industries, such as shipping with FedEx or UPS; you can see each stop along the way if you’ve ever tracked your packages online.

Benefits to this system would be:

- If a crop failed the state would be alerted of the bad product and they could confiscate it for destruction;
- Failure to produce the untampered bags could lead to fines or loss of license;
- Law Enforcement will have greater clarity on the legality of the marijuana they may come across;
- Processors accepting bagged product from a grower can rest assured about what they will turn into concentrates;
- Dispensaries will receive products either directly from a grower, a distributor or a processor and know that it is fit to go on the shelves.

Most of the labs in the state are already doing bag and tag on request. Oregon Cannabis Business Council urges you to make certain that the chain of custody using labs to bag and tag be made part of SB844. Industry actors can rely on it and most importantly, our patients and eventual retail customers deserve it.

Thank you for your time and I am available to answer any questions you may have.

Don Morse, Chair
Oregon Cannabis Business Council