

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, 4/27, 4/29

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:

- Existing Oregon Medical Marijuana Act regulations
- Licensure activities of OHA and ODA
- Current lab testing system for marijuana

EFFECT OF COMMITTEE AMENDMENT: (-6 amendment) Replaces measure. Requires medical marijuana registry identification cardholders (cardholders), medical marijuana growers (growers), medical marijuana processors (processors) and medical marijuana dispensaries (dispensaries) be registered with Oregon Health Authority (OHA). Provides exemptions for licensing. Describes OHA licensing process for cardholders, growers, processors and dispensaries. Requires Oregon residency to receive registry identification card. Requires at least four years of Oregon residency for growers, processors and dispensary owners if registered with OHA after January 1, 2015. Limits grower to 24 mature plants if grow site is within city limits and in location zoned for residential use or 96 mature plants if grow site is not in previously described area, so long as grow site was registered with OHA prior to January 1, 2015. Limits grower to 12 mature plants if grow site is within city limits and in location zoned for residential use or 48 mature plants if grow site is not in previously described area if grower registers grow site after January 1, 2015. Requires grower to reduce plant count if specific events occur. Establishes tracking system for growers, processors and dispensaries. Allows cardholder to reimburse person responsible for grow site for all costs associated with production of marijuana. Requires OHA to establish by rule public health and safety standards for processor of cannabinoid edibles, concentrates and extracts. Requires processor producing cannabinoid edibles to be licensed by Oregon Department of Agriculture (ODA). Allows local governments to enact reasonable regulations on grow sites, processing sites and dispensaries. Allows dispensary to remain at current location if school is established within 1,000 feet of dispensary. Prohibits local governments from taxing marijuana. Requires all marijuana items transferred or sold to be tested and adequately packaged and labeled prior to sale or transfer. Exempts from testing, packaging and labeling requirement marijuana items transferred between grow sites, cardholders and primary caregivers. Requires OHA to establish rules for licensing and accrediting testing lab. Requires OHA, in consultation with Oregon Liquor Control Commission (OLCC) and ODA, to establish standards for testing marijuana items. Requires OHA, in consultation with OLCC and ODA, to establish standards for packaging and labeling marijuana items. Allows OHA to work with ODA and OLCC to implement and enforce provisions. Allows OHA, ODA, and OLCC to possess, seize or dispose of marijuana as necessary to implement and enforce provisions. Allows OHA to impose civil penalty for violations not exceeding \$500 per day. Establishes March 1, 2016 as operative date for specified parts of measure. Defines terms. Declares emergency, effective on passage.

(-7 amendment) Modifies the -6 amendment. Allows Oregon Health Authority (OHA) to inspect only marijuana grow sites of persons designated to produce marijuana for other cardholders. Reduces residency requirement for marijuana processors need to prove from four years to two. Allows marijuana processing facilities to be located in residential areas

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This summary has not been adopted or officially endorsed by action of the committee.

so long as processor does not process cannabinoid extracts. Removes prohibition on co-location of marijuana processor and marijuana grow site. Reduces time necessary to maintain records for persons designated to produce marijuana for other cardholders from seven years to two. Requires marijuana processors and marijuana dispensary owners be at least 21 years of age. Removes marijuana processor security system requirements. Removes requirement on marijuana processors producing cannabinoid edibles requiring Oregon Department of Agriculture licensure. Requires OHA to produce rule requiring marijuana processors and marijuana dispensaries to submit specified information to OHA. Clarifies exemption from marijuana processing regulations of designated primary caregivers processing cannabinoid products or cannabinoid concentrates. Allows counties to impose reasonable regulations on marijuana grow sites. Modifies temporary residency provision requiring OHA to only require proof of residency for any person who is renewing registration of marijuana dispensaries and marijuana grow sites until January 1, 2016.

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.