

REVENUE: No revenue impact

FISCAL: May have fiscal impact, statement not yet issued

SUBSEQUENT REFERRAL TO:

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Action:

Vote:

Yeas:

Nays:

Exc.:

Prepared By: Adam Crawford, Administrator

Meeting Dates: 3/23, 3/25, 4/1, 4/13, 4/27, 4/29, 5/4

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**WHAT THE MEASURE DOES:** 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, and dispensary owners if registered with OHA after January 1, 2015. Requires at least two years of Oregon residency for processors. Requires processors and dispensary owners be at least 21 years of age. 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 Oregon Health Authority (OHA) to inspect only marijuana grow sites of persons designated to produce marijuana for other cardholders. 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.). 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. Allows marijuana processing facilities to be located in residential areas so long as processor does not process cannabinoid extracts. Allows co-location of marijuana processing site and marijuana grow site. 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. Requires OHA for purposes of verifying residency to only require proof of residency for any person who is renewing registration of marijuana dispensaries and marijuana grow sites until January 1, 2016. Defines terms. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

- Existing Oregon Medical Marijuana Act regulations
- Licensure activities of OHA and ODA
- Current lab testing system for marijuana
- Opt out provisions of Washington and Colorado

5/4/2015 4:41:00 PM \*

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

**EFFECT OF COMMITTEE AMENDMENT:** (-13 amendment) Reduces proof of residency time requirement from four years to two for growers and those responsible for dispensaries. Requires OHA to provide city or county governing body dispensary addresses upon request. Allows OHA to provide address of processing site or dispensary to law enforcement upon request. Allows OHA to provide additional information to law enforcement if grow site, processing site or dispensary is found after investigation by OHA to not be in compliance. Specifies registry fee of not more than twenty dollars for person who submits proof of having served with armed forces and diagnosis of post-traumatic stress disorder. Modifies definition of ‘medical cannabinoid product’ to include product intended to be applied to skin or hair.

(-16 amendment) Allows city or county to adopt ordinances prohibiting dispensaries or processing sites. Exempts dispensary from prohibition if licensed by OHA prior to May 1, 2015.

(-17 amendment) Reduces proof of residency time requirement from four years to two for growers and those responsible for dispensaries. Limits amount of usable marijuana grower may possess to 9 pounds per outdoor plant or 3 pounds per indoor plant. Allows OHA to provide address of processing site or dispensary to law enforcement or governing body of city or county upon request. Allows OHA to provide additional information to law enforcement if grow site, processing site or dispensary is found after investigation by OHA to not be in compliance. Requires OHA to provide information to law enforcement agencies if OHA suspends license, revokes license or takes disciplinary action against grower, processor, or dispensary. Modifies definition of ‘medical cannabinoid product’ to include product intended to be applied to skin or hair.

**BACKGROUND:** In 1998, Oregon voters approved Ballot Measure 67 which allowed medical use of marijuana in Oregon within specified limits. It also established a state-controlled permit system. In December 1998, the Oregon Legislature passed Measure 67 into law. The law, known as the Oregon Medical Marijuana Act (OMMA), provides legal protections for qualified patients; requires a physician-written statement of the patient’s qualifying debilitating medical condition; allows for a caregiver to provide assistance; and mandates an Oregon Health Authority registration system.

Senate Bill 844 modifies the OMMA as well as provides standards for lab testing of marijuana and packaging and labeling requirements for medical marijuana products.