

PRELIMINARY STAFF MEASURE SUMMARY**CARRIER:**

House Committee on Agriculture and Natural Resources

REVENUE: No revenue impact**FISCAL: Minimal fiscal impact****SUBSEQUENT REFERRAL TO: None****Action:****Vote:****Yeas:****Nays:****Exc.:**

Senate Vote: 22 – 6 – 2

Prepared By: Chuck Gallagher, Administrator**Meeting Dates:** 5/26

WHAT THE MEASURE DOES: Provides that Cannabis sativa seed not intended for planting but remaining capable of germination is agricultural hemp seed. Includes seed processed in manner or to extent rendering seed incapable of germination in definition of “industrial hemp.” Provides that handling of seeds or seed products processed in manner or to extent of being incapable of germination does not require agricultural hemp seed production permit. Reduces term of industrial hemp licenses and agricultural hemp seed production permits from three years to one year.

ISSUES DISCUSSED:**EFFECT OF COMMITTEE AMENDMENT:**

BACKGROUND: The terms “hemp and “industrial hemp” refer specifically to varieties of Cannabis sativa characterized by low levels of tetrahydrocannabinol (THC), which is marijuana’s primary psychoactive chemical, in their leaves and flowers. In 2009, the Legislature enacted Senate Bill 676 which authorized the production, possession and commerce in industrial hemp commodities and products. The measure identified industrial hemp as an agricultural product that is subject to regulation by the Oregon Department of Agriculture (ODA) and required that all growers and handlers of industrial hemp have a license and production permit issued by ODA. ODA adopted rules for industrial hemp production in February, 2015 and are currently accepting applications.

Senate Bill 881 would establish that the handling of seeds or seed products that are incapable of germination would not require an agricultural hemp seed production permit. The Act also reduces the term of industrial hemp licenses and agricultural hemp seed production permits from three years to one year.