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# MEMORANDUM

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**To:** Capital Construction Subcommittee

**From:** John Terpening, Legislative Fiscal Office  
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**Date:** June 25, 2015

**Subject:** HB 2668  
Work Session Recommendations

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HB 2668 relates to industrial hemp. The measure prohibits the Department of Agriculture from issuing industrial hemp or hemp seed production licenses if the operation is within 1,000 feet of a school. The Department is directed to rescind current licenses for growers within 1,000 feet of a school and to provide just compensation if the grower incurred costs prior to revocation. The Department's initial estimate for just compensation is assumed to be \$500-\$750 per acre.

The measure also directs the Department and Oregon State University's College of Agricultural Sciences to conduct research on currently licensed industrial hemp operations for a minimum of one growing season.

The –B14 amendment provides \$100,000 General Fund to the Department of Agriculture for rule-making and to provide just compensation to growers that meet the measures criteria.

The amendment also provides \$290,000 General Fund to the Higher Education Coordinating Commission to be used by the Oregon State University College of Agricultural Sciences to conduct the research.

## **Recommended Changes to HB 2668:**

The Legislative Fiscal Office recommends adoption of the –B14 amendment.

## **Motion #1: Adopt the –B14 amendment to HB 2668.**

### **Measure to Full**

LFO recommends the measure be moved to the full Joint Committee on Ways and Means, as amended.

## **Motion #2: Move HB 2668, as amended, to the full committee with a Do Pass recommendation.**

**Assignment of Carriers**

Full: \_\_\_\_\_

1st Chamber: \_\_\_\_\_

2nd Chamber: \_\_\_\_\_