

Seventy-Eighth Oregon Legislative Assembly - 2015 Regular Session  
STAFF MEASURE SUMMARY

MEASURE: SB 964 A  
CARRIER: Sen. Burdick  
Sen. Kruse

Senate Special Committee On Implementing Measure 91

**Fiscal:** Fiscal impact issued  
**Revenue:** No revenue impact, statement issued (Indeterminate Impact)

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**Action Date:** 05/18/15  
**Action:** Do Pass With Amendments. (Printed A-Eng.)  
**Meeting Dates:** 05/18  
**Vote:**  
Yeas: 5 - Beyer, Burdick, Ferrioli, Kruse, Prozanski  
**Prepared By:** Adam Crawford, Committee Administrator

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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 two years of Oregon residency for growers, processors and those persons responsible for dispensaries. 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 December 31, 2014. Limits amount of usable marijuana grower may possess to 12 pounds per outdoor plant or 6 pounds per indoor plant. Requires grower to reduce plant count if specific events occur. Establishes tracking system for growers, processors and dispensaries. Allows 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 OHA to provide information regarding grow site, processing site or dispensary to law enforcement or regulatory agency of city or county. Prohibits OHA from providing specified information. Requires OHA to provide information to law enforcement agencies if OHA suspends license, revokes license or takes disciplinary action against grower, processor or dispensary. Defines terms.

Prohibits local governments from taxing marijuana. Allows city or county to adopt ordinances prohibiting dispensaries and processing sites. Requires ordinance be adopted within 180 days after effective date of measure. Requires city or county to order election when presented with petition to prohibit or allow dispensaries, processing sites or both. Requires election be held at time of next statewide election. Specifies petition must be filed 60 days prior to election and be signed by 4 percent of registered voters of city or county. Exempts dispensary from ordinance if dispensary is licensed by OHA on or before effective date of ordinance and is in compliance with applicable city or county ordinances or is land use applicant whose application is deemed complete by county or city. Exempts dispensary from prohibition if licensed by OHA prior to May 1, 2015 and if transferring usable marijuana or is in compliance with applicable city and county ordinances or is land use applicant whose application is deemed complete by county or city. Exempts dispensary from ordinance if dispensary applies to be licensed by OHA on or before July 1, 2015 and is in compliance with applicable city or county ordinances or is land use applicant whose application is deemed complete by county or city. Exempts processing site if registered by OHA on or before effective date of ordinance, is processing usable marijuana and is in compliance with applicable city or

county ordinances or is land use applicant whose application is deemed complete by county or city. Removes exemption if license is revoked by OHA. 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.

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 Oregon Department of Agriculture (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. Declares emergency, effective on passage.

#### **ISSUES DISCUSSED:**

- City and county land use regulations
- Delivery of cannabis
- Dispensary registration

#### **EFFECT OF COMMITTEE AMENDMENT:**

Prohibits local governments from regulating delivery of medical marijuana except as expressly authorized by statutory laws of Oregon. Clarifies definition of "reasonable regulations." Changes operative date for section dealing with dispensary re-registration if public or private school opens within 1,000 feet after the dispensary has been established.

#### **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 Legislative Assembly 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 964-A modifies the OMMA as well as provides standards for lab testing of marijuana and packaging and labeling requirements for medical marijuana products.