

**STAFF MEASURE SUMMARY****House Committee On Rules****Fiscal:** Fiscal impact issued**Revenue:** No Revenue Impact**Action Date:** 06/23/15**Action:** Do Pass As Amended, Be Printed Engrossed, And Bill Be Referred To Ways And Means.**Meeting Dates:** 05/27, 05/28, 06/01, 06/03, 06/23**Vote:**

Yeas: 9 - Barnhart, Gilliam, Hoyle, Kennemer, McLane, Nosse, Rayfield, Smith Warner, Wilson

**Prepared By:** Erin Seiler, Committee Administrator**WHAT THE MEASURE DOES:**

Prohibits Oregon Department of Agriculture (ODA) from issuing industrial hemp license or seed production permit to applicant with operation within 1,000 feet of school. Requires ODA to rescind any licenses for any existing operation within 1,000 feet of school. Requires ODA to reissue license if operation becomes compliant with 1,000-foot requirement or will provide compensation if operation is unable to comply and has planted hemp seeds. Specifies criteria to receive compensation. Requires currently licensed grower of industrial hemp, who is in compliance with all conditions of licensure, to permit ODA and Oregon State University to use operations for research. Specifies type of research to be conducted. No later than February 1, 2017, ODA is to use findings from research as basis for rulemaking. Requires ODA to convene rules advisory committee for rulemaking. Specifies membership of rules advisory committee. Establishes moratorium on issuance of new licenses to growers of industrial hemp until March 1, 2017. Declares emergency, effective upon passage.

**ISSUES DISCUSSED:**

- Impact on vintners and vineyards
- Relationship between growing hemp and marijuana
- Economic impact of growing industrial hemp in Josephine County
- Cross-pollination of seeds
- Potential increase in illegal activity surrounding marijuana

**EFFECT OF COMMITTEE AMENDMENT:**

Replaces original measure.

**BACKGROUND:**

Current Oregon law requires industrial hemp growers and handlers to be licensed by Oregon Department of Agriculture (ODA). House Bill 2668 B establishes, as a condition of licensure, that an industrial hemp operation not be within 1,000 feet of a school. The measure requires ODA to rescind any licenses for any existing operation within 1,000 feet of school and permits ODA to reissue license if operation becomes compliant with 1,000-foot requirement or will provide compensation if operation is unable to comply and has planted hemp seeds. In addition, the measure requires a currently licensed grower of industrial hemp, who is in compliance with all conditions of licensure, to permit ODA and Oregon State University to use operations for research that will be utilized for the basis of rulemaking by the rules advisory committee.