

REVENUE: May have a revenue impact, statement not yet issued

FISCAL: May have a 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: 2/16, 2/23

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**WHAT THE MEASURE DOES:** Removes requirement that person responsible for marijuana grow site applying for OLCC licensure to get land use compatibility statement if that grow site is outside of city limits, registered with the Oregon Health Authority (OHA) prior to January 1, 2015, and is applying for a marijuana grow canopy of 5,000 square feet or less if growing outside or 1,250 square feet or less if growing inside. Declares marijuana as a farm crop for Oregon Liquor Control Commission (OLCC) licensed marijuana growers and those person responsible for a marijuana grow site registered with OHA prior to January 1, 2015. Adds setback ordinances for opaque farm buildings to list of reasonable regulations local governments can impose. Provides for expungement of marijuana-related crimes if penalty for crime has been reduced to penalty for which crime may be expunged. Declares emergency, effective on passage.

#### ISSUES DISCUSSED:

**EFFECT OF COMMITTEE AMENDMENT:** (-1 amendment) Specifies if legal entity is applying for OLCC licensure as a marijuana business, OLCC may require persons associated with that legal entity to provide fingerprints.

(-2 amendment) Allows marijuana processor to transfer medical cannabinoid product, concentrate, or extract to OMMP cardholder or designated primary caregiver if OMMP cardholder or designated caregiver provided marijuana processor with marijuana to be processed into medical cannabinoid product, concentrate, or extract. Allows OMMP cardholder or designated caregiver to reimburse marijuana processor for all costs associated with processing transferred product.

(-3 amendment) Allows marijuana processor to transfer medical cannabinoid product, concentrate, or extract to OMMP cardholder or designated primary caregiver if OMMP cardholder or designated caregiver provided marijuana processor with marijuana to be processed into medical cannabinoid product, concentrate, or extract. Allows OMMP cardholder or designated caregiver to reimburse marijuana processor for all costs associated with processing transferred product.

(-4 amendment) Broadens exemption to allow marijuana grow site with at least one grower first registered with OHA prior to January 1, 2015 to not have to receive a land use compatibility statement prior to licensure.

(-5 amendment) Declares marijuana as a farm crop for research certificate holders.

(-6 amendment) Requires individual who works for marijuana producer, processor, wholesaler, or retailer to have valid worker permit issued by OLCC. Becomes operative July 1, 2016.

(-7 amendment) Requires OLCC to establish merit-based criteria to evaluate license applicant. Specifies criteria. Becomes operative July 1, 2016.

(-8 amendment) Allows person responsible for a marijuana grow site to delegate reporting of tracking information to OHA to another OHA-registered grower at the same grow site address.

2/23/2016 10:28:00 AM \*

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

(-9 amendment) Allows OHA medical marijuana dispensary operated as a nonprofit organization to receive by gift useable marijuana, immature marijuana plants, and seeds from OHA registered cardholders or OLCC licensees. Allows nonprofit medical marijuana dispensary to dispense usable marijuana at discounted price or free of charge if registered cardholder is at or below federal poverty line. Requires nonprofit medical marijuana dispensary to only dispense from a mobile unit to persons at or below the federal poverty line on property owned by a state agency Requires state agency allow mobile medical marijuana dispensary unit to dispense on property owned by state agency Becomes operative January 1, 2017.

(-10 amendment) Allows OHA medical marijuana dispensary operated as a nonprofit organization to receive by gift useable marijuana, immature marijuana plants, and seeds from OHA registered cardholders or OLCC licensees. Allows nonprofit medical marijuana dispensary to dispense usable marijuana at discounted price or free of charge if registered cardholder is at or below federal poverty line. Requires nonprofit medical marijuana dispensary to only dispense from a mobile unit to persons at or below the federal poverty line on property owned by a state agency Requires state agency allow mobile medical marijuana dispensary unit to dispense on property owned by state agency Becomes operative January 1, 2017.

(-11 amendment) Exempts from definition of ‘marijuana,’ ‘cannabinoid product,’ and ‘medical cannabinoid product’ products containing nonpsychoactive cannabinoids intended to be applied to the skin or hair if concentration of cannabinoids in product is 0.9 percent or less than 0.9 percent of weight of product. Effective on passage.

Effective January 1, 2020 exempts from definition of ‘marijuana,’ ‘cannabinoid product,’ and ‘medical cannabinoid product’ products containing nonpsychoactive cannabinoids intended to be applied to the skin or hair if concentration of cannabinoids in product is 0.3 percent or less than 0.3 percent of weight of product.

Requires OHA to submit report on or before January 1, 2019 to specified legislative committees. Specifies report to include data relating to risk to public health and safety of products containing 0.9 and 0.3 percent cannabinoid concentrates.

(-12 amendment) Requires OHA to solicit proposals for the purpose of choosing one or more entities to conduct public health and consumer safety research relating to marijuana.

(-13 amendment) Removes citations to prohibitions on local laws or ordinances restricting farm uses when referencing time, place, and manner restrictions local governments may adopt.

(-14 amendment) Prohibits local governments from adopting reasonable regulation ordinances for any marijuana grow site if at least one person responsible for the grow site has been located at that address since January 1, 2015 and all persons responsible for the grow site are in good standing with OHA.

(-15 amendment) Specifies OHA may inspect marijuana grow site of a person designated to produce marijuana by a OHA registered cardholder. Becomes operative March 1, 2016.

(-16 amendment) Amends land use compatibility exemption by increasing maximum allowable marijuana grow canopy to 10,000 square feet or less. Removes citations to prohibitions on local laws or ordinances restricting farm uses when referencing time, place, and manner restrictions local governments may adopt.

(-17 amendment) Prohibits local governments from adopting reasonable regulation ordinances for any marijuana grow site if at least one person responsible for the grow site has been located at that address since January 1, 2015 and all persons responsible for the grow site are in good standing with OHA.

(-18 amendment) Prohibits fees collected by OHA for the purposes of administering and enforcing the Oregon Medical Marijuana Program (OMMP) from exceeding costs of administration and enforcement.

(-19 amendment) Prohibits OHA from imposing dosage limit on maximum amount of tetrahydrocannabinol (THC) less than 400 milligrams for a single serving and 4,000 milligrams per package for cannabinoid products and concentrates, 10

milligrams per single serving and 100 milligrams per package for cannabinoid edibles, and for all other products, 100 milligrams per single serving and 1,000 per package.

(-20 amendment) Prohibits OHA from imposing dosage limit on maximum amount of tetrahydrocannabinol (THC) in a cannabinoid product, extract, or concentrate if the cannabinoid product, extract, or concentrate is to be used by only OHA registry cardholder.

(-21 amendment) Defines cannabis café. Allows consumption of marijuana at cannabis café provided consent is given by each employee and vendor, notice is posted, specified ventilation system is in operation, and only allows person 21 and in controlled area. Allows local governing body to adopt ordinances that prohibit or allow cannabis cafes.

(-22 amendment) Requires persons responsible for marijuana grow site registered by OHA be residents of Oregon for at least 2 years. Requires marijuana producers licensed by OLCC be residents of Oregon for at least 2 years. Repeals residency requirement on January 1, 2020.

(-23 amendment) Requires persons responsible for marijuana grow site registered by OHA be residents of Oregon for at least 2 years. Requires marijuana producers licensed by OLCC be residents of Oregon for at least 2 years except if license holder also applies for marijuana retailer and, if intending to process marijuana, marijuana processor license. Specifies license holders indicated may only sell marijuana items directly to consumers, and no other OLCC license holders. Repeals residency requirement on January 1, 2020. Directs OLCC to adopt rules establishing minimum marijuana plant canopy size for indicated license holders.

(-24 amendment) Sets limitations on ordinances local governments may adopt.

(-25 amendment) Replaces measure. Removes requirement that person responsible for marijuana grow site applying for OLCC licensure to get land use compatibility statement if that grow site is outside of city limits, at least on person responsible for the grow site registered with the Oregon Health Authority (OHA) prior to January 1, 2015, and is applying for a marijuana grow canopy of 5,000 square feet or less if growing outside or 1,250 square feet or less if growing inside. Declares marijuana as a farm crop for Oregon Liquor Control Commission (OLCC) licensed marijuana growers, research certificate holders, and those persons responsible for a marijuana grow site registered with OHA prior to January 1, 2015. Allows marijuana processor to transfer medical cannabinoid product, concentrate, or extract to OMMP cardholder or designated primary caregiver if OMMP cardholder or designated caregiver provided marijuana processor with marijuana to be processed into medical cannabinoid product, concentrate, or extract. Allows OMMP cardholder or designated caregiver to reimburse marijuana processor for all costs associated with processing transferred product. Allows person responsible for a marijuana grow site to delegate reporting of tracking information to OHA to another OHA-registered grower at the same grow site address. Allows OHA medical marijuana dispensary operated as a nonprofit organization to receive by gift useable marijuana, immature marijuana plants, and seeds from OHA registered cardholders or OLCC licensees and certificate holders. Allows nonprofit medical marijuana dispensary to dispense usable marijuana at discounted price or free of charge if registered cardholder is at or below federal poverty line. Requires OHA adopt rules to implement nonprofit medical dispensary program. Requires OHA to solicit proposals for the purpose of choosing one or more entities to conduct public health and consumer safety research relating to marijuana.

Specifies if legal entity is applying for OLCC licensure as a marijuana business, OLCC may require persons associated with that legal entity to provide fingerprints. Requires individual who works for marijuana producer, processor, wholesaler, or retailer to have valid worker permit issued by OLCC. Adds setback ordinances for opaque farm buildings built on or before July 1, 2015 to list of reasonable regulations local governments may not impose. Provides for expungement of marijuana-related crimes if penalty for crime has been reduced to penalty for which crime may be expunged.

Repeals sections of House Bill 4014 A and Senate Bill 1511 A relating to taxation of cannabis. Sets operative dates for specific parts of the measure. Declares emergency, effective on passage.

(-26 amendment) Prohibits fees collected by OHA for the purposes of administering and enforcing the Oregon Medical Marijuana Program (OMMP) from exceeding costs of administration and enforcement. Applies to fees collected on or after July 1, 2017.

(-28 amendment) Prohibits OHA from imposing dosage limit on maximum amount of tetrahydrocannabinol (THC) to be consumed only by OMMP cardholders at less than 4,000 milligrams per package for cannabinoid products and concentrates cardholders, and 1,000 milligrams per package for cannabinoid edibles. Prohibits OHA from imposing a dosage limit on products to be consumed by non-OMMP cardholders at 1,000 milligrams per package for cannabinoid products and concentrates except edibles, and 100 milligrams per package for cannabinoid edibles.

**BACKGROUND:** Under current Oregon law, all applicants seeking an OLCC marijuana producers license must get a land use compatibility statement from their local government prior to being awarded a license.

Senate Bill 1598 removes that requirement for small scale marijuana producers growing outside city limits who were registered with OHA prior to January 1, 2015.