

SENATE AMENDMENTS TO SENATE BILL 1511

By JOINT COMMITTEE ON MARIJUANA LEGALIZATION

February 19

1 On page 1 of the printed bill, line 2, after “ORS” insert “336.241, 475B.015,”.

2 In line 3, delete “and 475B.375” and insert “, 475B.345, 475B.375, 475B.450, 475B.625, 475B.730
3 and 475B.750”.

4 Delete lines 6 through 25 and delete pages 2 through 15 and insert:

“REGISTRATION FOR MEDICAL PURPOSES

“**(Series Placement)**

9 “**SECTION 1.** Sections 2 to 6 of this 2016 Act are added to and made a part of ORS
10 475B.010 to 475B.395.

“**(Marijuana Producers)**

14 “**SECTION 2.** (1) As used in this section, ‘designated primary caregiver,’ ‘marijuana pro-
15 cessing site,’ ‘medical marijuana dispensary’ and ‘registry identification cardholder’ have the
16 meanings given those terms in ORS 475B.410.

17 “(2) To produce marijuana for medical purposes, a marijuana producer that holds a li-
18 cense under ORS 475B.070 must register with the Oregon Liquor Control Commission under
19 this section.

20 “(3) The commission shall register a marijuana producer for the purpose of producing
21 marijuana for medical purposes if the marijuana producer:

22 “(a) Holds a license under ORS 475B.070;

23 “(b) Meets any qualifications adopted by the commission by rule;

24 “(c) Applies to the commission in a form and manner prescribed by the commission; and

25 “(d) Pays any fee adopted by the commission by rule.

26 “(4)(a) A marijuana producer registered under this section may produce marijuana for a
27 registry identification cardholder, and provide usable marijuana to the registry identification
28 cardholder or to the designated primary caregiver of the registry identification cardholder,
29 if the marijuana producer enters into an agreement with the registry identification
30 cardholder for whom the marijuana producer is producing the marijuana. An agreement en-
31 tered into under this subsection:

32 “(A) Must be submitted to the commission in a manner prescribed by the commission;

33 “(B) Except as provided in subparagraph (C) of this paragraph, may not allow the
34 marijuana producer to be compensated for producing the marijuana or providing the usable
35 marijuana;

1 “(C) May require a registry identification cardholder, or a designated primary caregiver
2 on behalf of a registry identification cardholder, to reimburse a marijuana producer for all
3 costs associated with producing marijuana for the registry identification cardholder or pro-
4 viding usable marijuana to the registry identification cardholder or designated primary
5 caregiver;

6 “(D) May not allow the marijuana producer to produce for the registry identification
7 cardholder an amount of mature marijuana plants that exceeds the amount that a registry
8 identification cardholder and a designated primary caregiver may jointly possess under ORS
9 475B.428;

10 “(E) May not allow the marijuana producer to provide to the registry identification
11 cardholder an amount of usable marijuana that exceeds the amount that a registry identifi-
12 cation cardholder and a designated primary caregiver may jointly possess under ORS
13 475B.430; and

14 “(F) May allow the marijuana producer to keep a portion of the usable marijuana har-
15 vested from the marijuana produced for the registry identification cardholder for the pur-
16 poses of:

17 “(i) Providing usable marijuana to additional registry identification cardholders or desig-
18 nated primary caregivers; and

19 “(ii) Transferring or selling usable marijuana to marijuana processing sites or medical
20 marijuana dispensaries.

21 “(c) Marijuana produced for a registry identification cardholder, and usable marijuana
22 transferred or sold to a marijuana processing site or medical marijuana dispensary, pursuant
23 to an agreement entered into under this subsection must be tracked by the system developed
24 and maintained under ORS 475B.150.

25 “(d)(A) Upon request by the commission, the Oregon Health Authority shall provide the
26 commission, notwithstanding any laws relating to the confidentiality of information under
27 ORS 475B.460 and 475B.462, with the registration information of:

28 “(i) A registry identification cardholder who enters into an agreement under this sub-
29 section; or

30 “(ii) A registry identification cardholder, designated primary caregiver, marijuana pro-
31 cessing site or medical marijuana dispensary that receives usable marijuana pursuant to an
32 agreement entered into under this subsection.

33 “(B) Registration information received by the commission under this paragraph that is
34 confidential and not subject to public disclosure under ORS 475B.460 and 475B.462 remains
35 confidential and not subject to public disclosure after being provided to the commission.

36 “(e) Marijuana produced pursuant to an agreement entered into under this subsection is
37 not subject to rules restricting the size of mature marijuana plant grow canopies adopted
38 by the commission under ORS 475B.075.

39 “(5)(a) The commission shall adopt rules necessary to administer this section, including
40 rules:

41 “(A) For the equitable conversion of a number of mature marijuana plants to a size of
42 mature marijuana plant grow canopy;

43 “(B) Limiting the amount of marijuana that may be produced under section (4) of this
44 section;

45 “(C) Limiting the amount of usable marijuana that may be provided, transferred or sold

1 under subsection (4)(a)(F) of this section;

2 “(D) Limiting the number of registry identification cardholders for whom a marijuana
3 producer registered under this section may produce marijuana; and

4 “(E) Prohibiting a registry identification cardholder from entering into more than one
5 agreement with a marijuana producer registered under this section.

6 “(b) The rules must provide that any fee adopted by the commission under subsection
7 (3)(d) of this section be in an amount reasonably calculated to not exceed, together with
8 other fees collected under ORS 475B.010 to 475B.395, the cost of administering ORS 475B.010
9 to 475B.395.

10
11 “(Marijuana Processors)

12
13 “SECTION 3. (1) To process marijuana for medical purposes, a marijuana processor that
14 holds a license under ORS 475B.090 must register with the Oregon Liquor Control Commis-
15 sion under this section.

16 “(2) The commission shall register a marijuana processor for the purpose of processing
17 marijuana for medical purposes if the marijuana processor:

18 “(a) Holds a license under ORS 475B.090;

19 “(b) Meets any qualifications adopted by the commission by rule;

20 “(c) Applies to the commission in a form and manner prescribed by the commission; and

21 “(d) Pays any fee adopted by the commission by rule.

22 “(3) A marijuana processor registered under this section may process marijuana and us-
23 able marijuana into medical grade cannabinoid products, cannabinoid concentrates and
24 cannabinoid extracts.

25 “(4) The commission shall adopt rules necessary to administer this section. The rules
26 must provide that any fee adopted by the commission under subsection (2)(d) of this section
27 be in an amount reasonably calculated to not exceed, together with other fees collected un-
28 der ORS 475B.010 to 475B.395, the cost of administering ORS 475B.010 to 475B.395.

29
30 “(Marijuana Wholesalers)

31
32 “SECTION 4. (1) To sell marijuana at wholesale for medical purposes, a marijuana
33 wholesaler that holds a license under ORS 475B.100 must register with the Oregon Liquor
34 Control Commission under this section.

35 “(2) The commission shall register a marijuana wholesaler for the purpose of selling
36 marijuana at wholesale for medical purposes if the marijuana wholesaler:

37 “(a) Holds a license under ORS 475B.100;

38 “(b) Meets any qualifications adopted by the commission by rule;

39 “(c) Applies to the commission in a form and manner prescribed by the commission; and

40 “(d) Pays any fee adopted by the commission by rule.

41 “(3) A marijuana wholesaler registered under this section may sell medical grade
42 cannabinoid products, cannabinoid concentrates and cannabinoid extracts at wholesale.

43 “(4) The commission shall adopt rules necessary to administer this section. The rules
44 must provide that any fee adopted by the commission under subsection (2)(d) of this section
45 be in an amount reasonably calculated to not exceed, together with other fees collected un-

1 der ORS 475B.010 to 475B.395, the cost of administering ORS 475B.010 to 475B.395.

2
3 “(Marijuana Retailers)
4

5 “**SECTION 5.** (1) As used in this section, ‘designated primary caregiver’ and ‘registry
6 identification cardholder’ have the meanings given those terms in ORS 475B.410.

7 “(2) To sell marijuana at retail for medical purposes, a marijuana retailer that holds a
8 license under ORS 475B.110 must register with the Oregon Liquor Control Commission under
9 this section.

10 “(3) The commission shall register a marijuana retailer for the purpose of selling
11 marijuana at retail for medical purposes if the marijuana retailer:

12 “(a) Holds a license under ORS 475B.110;

13 “(b) Meets any qualifications adopted by the commission by rule;

14 “(c) Applies to the commission in a form and manner prescribed by the commission; and

15 “(d) Pays any fee adopted by the commission by rule.

16 “(4) A marijuana retailer registered under this section:

17 “(a) May sell medical grade cannabinoid products, cannabinoid concentrates and
18 cannabinoid extracts to registry identification cardholders and designated primary
19 caregivers;

20 “(b) May not sell medical grade cannabinoid products, cannabinoid concentrates and
21 cannabinoid extracts to individuals other than registry identification cardholders and desig-
22 nated primary caregivers;

23 “(c) May sell usable marijuana and medical grade cannabinoid products, cannabinoid
24 concentrates and cannabinoid extracts to registry identification cardholders and designated
25 primary caregivers at a discounted price; and

26 “(d) May provide usable marijuana and medical grade cannabinoid products, cannabinoid
27 concentrates and cannabinoid extracts to registry identification cardholders and designated
28 primary caregivers free of charge.

29 “(5) The commission shall adopt rules necessary to administer this section. The rules
30 must provide that any fee adopted by the commission under subsection (3)(d) of this section
31 be in an amount reasonably calculated to not exceed, together with other fees collected un-
32 der ORS 475B.010 to 475B.395, the cost of administering ORS 475B.010 to 475B.395.

33 “**SECTION 6.** Notwithstanding the provisions of ORS 475B.400 to 475B.525, rules adopted
34 by the Oregon Health Authority under ORS 475B.400 to 475B.525 must allow for the provision,
35 transfer and sale of usable marijuana as described in section 2 of this 2016 Act.
36

37 “(General Rulemaking Authority)
38

39 “**SECTION 7.** ORS 475B.070 is amended to read:

40 “475B.070. (1) The production of marijuana is subject to regulation by the Oregon Liquor Con-
41 trol Commission.

42 “(2) A marijuana producer must have a production license issued by the commission for the
43 premises at which the marijuana is produced. To hold a production license under this section, a
44 marijuana producer:

45 “(a) Must apply for a license in the manner described in ORS 475B.040;

1 “(b) Must, until January 1, 2020, provide proof that an applicant listed on an application sub-
2 mitted under ORS 475B.040 has been a resident of this state for two or more years, and must provide
3 proof that the applicant is 21 years of age or older; and

4 “(c) Must meet the requirements of any rule adopted by the commission under subsection (3) of
5 this section.

6 “(3) The commission shall adopt rules that:

7 “(a) Require a marijuana producer to annually renew a license issued under this section;

8 “(b) Establish application, licensure and renewal of licensure fees for marijuana producers;

9 “(c) Require marijuana produced by marijuana producers to be tested in accordance with ORS
10 475B.555;

11 “(d) **Allow a marijuana producer registered under section 2 of this 2016 Act to produce**
12 **marijuana for medical purposes in the same manner that rules adopted under ORS 475B.010**
13 **to 475B.395 allow a marijuana producer to produce marijuana for nonmedical purposes, ex-**
14 **cepting those circumstances where differentiating between the production of marijuana for**
15 **medical purposes and the production of marijuana for nonmedical purposes is necessary to**
16 **protect the public health and safety;**

17 “[*d*] (e) Require marijuana producers to submit, at the time of applying for or renewing a li-
18 cense under ORS 475B.040, a report describing the applicant’s or licensee’s electrical or water us-
19 age; and

20 “[*e*)(A)] (f)(A) Require a marijuana producer to meet any public health and safety standards and
21 industry best practices established by the commission by rule related to:

22 “(i) The production of marijuana; or

23 “(ii) The propagation of immature marijuana plants and the seeds of the plant Cannabis family
24 Cannabaceae.

25 “(B) For purposes of establishing rules under subparagraph (A)(ii) of this paragraph, the com-
26 mission may not limit:

27 “(i) The number of immature marijuana plants that may be possessed by a marijuana producer
28 licensed under this section;

29 “(ii) The size of the grow canopy a marijuana producer licensed under this section uses to grow
30 immature marijuana plants; or

31 “(iii) The weight or size of shipments of immature marijuana plants made by a marijuana pro-
32 ducer licensed under this section.

33 “(4) Fees adopted under subsection (3)(b) of this section:

34 “(a) May not exceed the cost of administering ORS 475B.010 to 475B.395 with respect to
35 marijuana producers;

36 “(b) Shall be in the form of a schedule that imposes a greater fee for premises with more square
37 footage or on which more mature marijuana plants are grown; and

38 “(c) Shall be deposited in the Marijuana Control and Regulation Fund established under ORS
39 475B.240.

40 “**SECTION 8.** ORS 475B.090 is amended to read:

41 “475B.090. (1) The processing of marijuana items is subject to regulation by the Oregon Liquor
42 Control Commission.

43 “(2) A marijuana processor must have a processor license issued by the commission for the
44 premises at which marijuana items are processed. To hold a processor license under this section, a
45 marijuana processor:

1 “(a) Must apply for a license in the manner described in ORS 475B.040;

2 “(b) Must, until January 1, 2020, provide proof that an applicant listed on an application sub-
3 mitted under ORS 475B.040 has been a resident of this state for two or more years, and must provide
4 proof that the applicant is 21 years of age or older;

5 “(c) If the marijuana processor processes marijuana extracts, may not be located in an area
6 zoned exclusively for residential use; and

7 “(d) Must meet the requirements of any rule adopted by the commission under subsection (3) of
8 this section.

9 “(3) The commission shall adopt rules that:

10 “(a) Require a marijuana processor to annually renew a license issued under this section;

11 “(b) Establish application, licensure and renewal of licensure fees for marijuana processors;

12 “(c) Require marijuana processed by a marijuana processor to be tested in accordance with ORS
13 475B.555; [and]

14 **“(d) Allow a marijuana processor registered under section 3 of this 2016 Act to process
15 marijuana and usable marijuana into medical grade cannabinoid products, cannabinoid con-
16 centrates and cannabinoid extracts in the same manner that rules adopted under ORS
17 475B.010 to 475B.395 allow a marijuana processor to process marijuana and usable marijuana
18 into general use cannabinoid products, cannabinoid concentrates and cannabinoid extracts,
19 excepting those circumstances where differentiating between the processing of medical grade
20 cannabinoid products, cannabinoid concentrates and cannabinoid extracts and the processing
21 of general use cannabinoid products, cannabinoid concentrates and cannabinoid extracts is
22 necessary to protect the public health and safety; and**

23 “[(d)] (e) Require a marijuana processor to meet any public health and safety standards and in-
24 dustry best practices established by the commission by rule related to:

25 “(A) Cannabinoid edibles;

26 “(B) Cannabinoid concentrates;

27 “(C) Cannabinoid extracts; and

28 “(D) Any other type of cannabinoid product identified by the commission by rule.

29 “(4) Fees adopted under subsection (3)(b) of this section:

30 “(a) May not exceed the cost of administering ORS 475B.010 to 475B.395 with respect to
31 marijuana processors; and

32 “(b) Shall be deposited in the Marijuana Control and Regulation Fund established under ORS
33 475B.240.

34 “**SECTION 9.** ORS 475B.100 is amended to read:

35 “475B.100. (1) The wholesale sale of marijuana items is subject to regulation by the Oregon Li-
36 quor Control Commission.

37 “(2) A marijuana wholesaler must have a wholesale license issued by the commission for the
38 premises at which marijuana items are received, stored or delivered. To hold a wholesale license
39 under this section, a marijuana wholesaler:

40 “(a) Must apply for a license in the manner described in ORS 475B.040;

41 “(b) Must, until January 1, 2020, provide proof that an applicant listed on an application sub-
42 mitted under ORS 475B.040 has been a resident of this state for two or more years, and must provide
43 proof that the applicant is 21 years of age or older;

44 “(c) May not be located in an area that is zoned exclusively for residential use; and

45 “(d) Must meet the requirements of any rule adopted by the commission under subsection (3) of

1 this section.

2 “(3) The commission shall adopt rules that:

3 “(a) Require a marijuana wholesaler to annually renew a license issued under this section;

4 “(b) Establish application, licensure and renewal of licensure fees for marijuana wholesalers;

5 “(c) Require marijuana items received, stored or delivered by a marijuana wholesaler to be
6 tested in accordance with ORS 475B.555; [and]

7 “(d) **Allow a marijuana wholesaler registered under section 4 of this 2016 Act to sell**
8 **medical grade cannabinoid products, cannabinoid concentrates and cannabinoid extracts at**
9 **wholesale in the same manner that rules adopted under ORS 475B.010 to 475B.395 allow a**
10 **marijuana wholesaler to sell general use cannabinoid products, cannabinoid concentrates and**
11 **cannabinoid extracts at wholesale, excepting those circumstances where differentiating be-**
12 **tween the sale of medical grade cannabinoid products, cannabinoid concentrates and**
13 **cannabinoid extracts and the sale of general use cannabinoid products, cannabinoid concen-**
14 **trates and cannabinoid extracts is necessary to protect the public health and safety; and**

15 “[d] (e) Require a marijuana wholesaler to meet any public health and safety standards and
16 industry best practices established by the commission by rule.

17 “(4) Fees adopted under subsection (3)(b) of this section:

18 “(a) May not exceed the cost of administering ORS 475B.010 to 475B.395 with respect to
19 marijuana wholesalers; and

20 “(b) Shall be deposited in the Marijuana Control and Regulation Fund established under ORS
21 475B.240.

22 “**SECTION 10.** ORS 475B.110 is amended to read:

23 “475B.110. (1) The retail sale of marijuana items is subject to regulation by the Oregon Liquor
24 Control Commission.

25 “(2) A marijuana retailer must have a retail license issued by the commission for the premises
26 at which marijuana items are sold. To hold a retail license under this section, a marijuana retailer:

27 “(a) Must apply for a license in the manner described in ORS 475B.040;

28 “(b) Must, until January 1, 2020, provide proof that an applicant listed on an application sub-
29 mitted under ORS 475B.040 has been a resident of this state for two or more years, and must provide
30 proof that the applicant is 21 years of age or older;

31 “(c) May not be located in an area that is zoned exclusively for residential use;

32 “(d) **Except as provided in section 29b of this 2016 Act,** may not be located within 1,000 feet
33 of:

34 “(A) A public elementary or secondary school for which attendance is compulsory under ORS
35 339.020; or

36 “(B) A private or parochial elementary or secondary school, teaching children as described in
37 ORS 339.030 (1)(a); and

38 “(e) Must meet the requirements of any rule adopted by the commission under subsection (3) of
39 this section.

40 “(3) The commission shall adopt rules that:

41 “(a) Require a marijuana retailer to annually renew a license issued under this section;

42 “(b) Establish application, licensure and renewal of licensure fees for marijuana retailers;

43 “(c) Require marijuana items sold by a marijuana retailer to be tested in accordance with ORS
44 475B.555; [and]

45 “(d) **Subject to the limitations and privileges described in section 5 (4) of this 2016 Act,**

1 allow a marijuana retailer registered under section 5 of this 2016 Act to sell medical grade
2 cannabinoid products, cannabinoid concentrates and cannabinoid extracts at retail in the
3 same manner that rules adopted under ORS 475B.010 to 475B.395 allow a marijuana retailer
4 to sell general use cannabinoid products, cannabinoid concentrates and cannabinoid extracts
5 at retail, excepting those circumstances where differentiating between the sale of medical
6 grade cannabinoid products, cannabinoid concentrates and cannabinoid extracts and the sale
7 of general use cannabinoid products, cannabinoid concentrates and cannabinoid extracts is
8 necessary to protect the public health and safety; and

9 “[*d*] (e) Require a marijuana retailer to meet any public health and safety standards and in-
10 dustry best practices established by the commission by rule.

11 “(4) Fees adopted under subsection (3)(b) of this section:

12 “(a) May not exceed the cost of administering ORS 475B.010 to 475B.395 with respect to
13 marijuana retailers; and

14 “(b) Shall be deposited in the Marijuana Control and Regulation Fund established under ORS
15 475B.240.

16
17 **“(Conforming Amendments)”**
18

19 **“SECTION 11.** ORS 475B.015 is amended to read:

20 **“475B.015.** As used in ORS 475B.010 to 475B.395:

21 “[*1*] *‘Consumer’* means a person who purchases, acquires, owns, holds or uses marijuana items
22 other than for the purpose of resale.]

23 “[*2*] (1) *‘Cannabinoid’* means any of the chemical compounds that are the active constituents
24 of marijuana.

25 “[*3*] (2) *‘Cannabinoid concentrate’* means a substance obtained by separating cannabinoids from
26 marijuana by:

27 “(a) A mechanical extraction process;

28 “(b) A chemical extraction process using a nonhydrocarbon-based or other solvent, such as wa-
29 ter, vegetable glycerin, vegetable oils, animal fats, isopropyl alcohol or ethanol;

30 “(c) A chemical extraction process using the hydrocarbon-based solvent carbon dioxide, provided
31 that the process does not involve the use of high heat or pressure; or

32 “(d) Any other process identified by the Oregon Liquor Control Commission, in consultation with
33 the Oregon Health Authority, by rule.

34 “[*4*] (3) *‘Cannabinoid edible’* means food or potable liquid into which a cannabinoid concen-
35 trate, cannabinoid extract or dried marijuana leaves or flowers have been incorporated.

36 “[*5*] (4) *‘Cannabinoid extract’* means a substance obtained by separating cannabinoids from
37 marijuana by:

38 “(a) A chemical extraction process using a hydrocarbon-based solvent, such as butane, hexane
39 or propane;

40 “(b) A chemical extraction process using the hydrocarbon-based solvent carbon dioxide, if the
41 process uses high heat or pressure; or

42 “(c) Any other process identified by the commission, in consultation with the authority, by rule.

43 “[*6*](a) (5)(a) *‘Cannabinoid product’* means a cannabinoid edible and any other product intended
44 for human consumption or use, including a product intended to be applied to the skin or hair, that
45 contains cannabinoids or dried marijuana leaves or flowers.

1 “(b) ‘Cannabinoid product’ does not include:
2 “(A) Usable marijuana by itself;
3 “(B) A cannabinoid concentrate by itself;
4 “(C) A cannabinoid extract by itself; or
5 “(D) Industrial hemp, as defined in ORS 571.300.
6 **“(6) ‘Consumer’ means a person who purchases, acquires, owns, holds or uses marijuana**
7 **items other than for the purpose of resale.**
8 “(7)(a) ‘Financial consideration’ means value that is given or received either directly or indi-
9 rectly through sales, barter, trade, fees, charges, dues, contributions or donations.
10 “(b) ‘Financial consideration’ does not include:
11 “(A) Homegrown marijuana that is given or received when nothing is given or received in re-
12 turn; or
13 “(B) Homemade cannabinoid products or cannabinoid concentrates that are given or received
14 when nothing is given or received in return.
15 “(8) ‘Homegrown’ or ‘homemade’ means grown or made by a person 21 years of age or older for
16 noncommercial purposes.
17 “(9) ‘Household’ means a housing unit and any place in or around a housing unit at which the
18 occupants of the housing unit are producing, processing, or storing homegrown marijuana or home-
19 made cannabinoid products or cannabinoid concentrates.
20 “(10) ‘Housing unit’ means a house, an apartment or a mobile home, or a group of rooms or a
21 single room that is occupied as separate living quarters, in which the occupants live and eat sepa-
22 rately from any other persons in the building and that has direct access from the outside of the
23 building or through a common hall.
24 “(11) ‘Immature marijuana plant’ means a marijuana plant that is not flowering.
25 “(12) ‘Licensee’ means a person who holds a license issued under ORS 475B.070, 475B.090,
26 475B.100 or 475B.110.
27 “(13) ‘Licensee representative’ means an owner, director, officer, manager, employee, agent or
28 other representative of a licensee, to the extent that the person acts in a representative capacity.
29 “(14)(a) ‘Marijuana’ means the plant Cannabis family Cannabaceae, any part of the plant
30 Cannabis family Cannabaceae and the seeds of the plant Cannabis family Cannabaceae.
31 “(b) ‘Marijuana’ does not include industrial hemp, as defined in ORS 571.300.
32 “(15) ‘Marijuana flowers’ means the flowers of the plant genus Cannabis within the plant family
33 Cannabaceae.
34 “(16) ‘Marijuana items’ means marijuana, cannabinoid products, cannabinoid concentrates and
35 cannabinoid extracts.
36 “(17) ‘Marijuana leaves’ means the leaves of the plant genus Cannabis within the plant family
37 Cannabaceae.
38 “(18) ‘Marijuana processor’ means a person who processes marijuana items in this state.
39 “(19) ‘Marijuana producer’ means a person who produces marijuana in this state.
40 “(20) ‘Marijuana retailer’ means a person who sells marijuana items to a consumer in this state.
41 “(21) ‘Marijuana wholesaler’ means a person who purchases marijuana items in this state for
42 resale to a person other than a consumer.
43 “(22) ‘Mature marijuana plant’ means a marijuana plant that is not an immature marijuana
44 plant.
45 **“(23) ‘Medical grade cannabinoid product, cannabinoid concentrate or cannabinoid**

1 **extract’ means a cannabinoid product, cannabinoid concentrate or cannabinoid extract that**
2 **has a concentration of tetrahydrocannabinol that is permitted under ORS 475B.625 in a single**
3 **serving of the cannabinoid product, cannabinoid concentrate or cannabinoid extract for con-**
4 **sumers who hold a valid registry identification card issued under ORS 475B.415.**

5 **“(24) ‘Medical purpose’ means a purpose related to using usable marijuana, cannabinoid**
6 **products, cannabinoid concentrates or cannabinoid extracts to mitigate the symptoms or**
7 **effects of a debilitating medical condition, as defined in ORS 475B.410.**

8 “[23] (25) ‘Noncommercial’ means not dependent or conditioned upon the provision or receipt
9 of financial consideration.

10 “[24)(a)] (26)(a) ‘Premises’ or ‘licensed premises’ includes the following areas of a location li-
11 censed under ORS 475B.070, 475B.090, 475B.100 or 475B.110:

12 “(A) All public and private enclosed areas at the location that are used in the business operated
13 at the location, including offices, kitchens, rest rooms and storerooms;

14 “(B) All areas outside a building that the commission has specifically licensed for the pro-
15 duction, processing, wholesale sale or retail sale of marijuana items; and

16 “(C) For a location that the commission has specifically licensed for the production of marijuana
17 outside a building, the entire lot or parcel, as defined in ORS 92.010, that the licensee owns, leases
18 or has a right to occupy.

19 “(b) ‘Premises’ or ‘licensed premises’ does not include a primary residence.

20 “[25)(a)] (27)(a) ‘Processes’ means the processing, compounding or conversion of marijuana into
21 cannabinoid products, cannabinoid concentrates or cannabinoid extracts.

22 “(b) ‘Processes’ does not include packaging or labeling.

23 “[26)(a)] (28)(a) ‘Produces’ means the manufacture, planting, cultivation, growing or harvesting
24 of marijuana.

25 “(b) ‘Produces’ does not include:

26 “(A) The drying of marijuana by a marijuana processor, if the marijuana processor is not oth-
27 erwise producing marijuana; or

28 “(B) The cultivation and growing of an immature marijuana plant by a marijuana processor,
29 marijuana wholesaler or marijuana retailer if the marijuana processor, marijuana wholesaler or
30 marijuana retailer purchased or otherwise received the plant from a licensed marijuana producer.

31 “[27)] (29) ‘Propagate’ means to grow immature marijuana plants or to breed or produce the
32 seeds of the plant Cannabis family Cannabaceae.

33 “[28)] (30) ‘Public place’ means a place to which the general public has access and includes,
34 but is not limited to, hallways, lobbies and other parts of apartment houses and hotels not consti-
35 tuting rooms or apartments designed for actual residence, and highways, streets, schools, places of
36 amusement, parks, playgrounds and areas used in connection with public passenger transportation.

37 “[29)(a)] (31)(a) ‘Usable marijuana’ means the dried leaves and flowers of marijuana.

38 “(b) ‘Usable marijuana’ does not include:

39 “(A) The seeds, stalks and roots of marijuana; or

40 “(B) Waste material that is a by-product of producing or processing marijuana.

41 **“SECTION 12.** ORS 475B.160 is amended to read:

42 **“475B.160. (1) Except as provided in section 2 of this 2016 Act,** a marijuana producer,
43 marijuana processor or marijuana wholesaler may deliver marijuana items only to or on a
44 *[licensed]* premises.

45 **“(2) A *[licensed]* premises may receive marijuana items only from a marijuana producer,**

1 marijuana processor or marijuana wholesaler for whom a premises has been licensed by the Oregon
2 Liquor Control Commission.

3 “(3) The sale of marijuana items by a marijuana retailer that holds a license issued under ORS
4 475B.110 must be restricted to the premises described in the license, but deliveries may be made by
5 the marijuana retailer to consumers pursuant to a bona fide order received at the [*licensed*] premises
6 prior to delivery.

7 “**SECTION 13.** ORS 475B.245 is amended to read:

8 “475B.245. ORS 475B.025, **475B.030**, 475B.033, 475B.035, 475B.040, 475B.045, **475B.050**, 475B.055,
9 475B.060, **475B.063**, 475B.065, 475B.068, 475B.070, **475B.075**, 475B.090, 475B.100, 475B.110, **475B.115**,
10 **475B.125**, 475B.130, **475B.135**, **475B.140**, **475B.145**, **475B.150**, 475B.160, 475B.165, 475B.170, **475B.180**,
11 **475B.190**, **475B.195**, **475B.200**, **475B.205**, 475B.210, **475B.215**, **475B.218**, **475B.230**, **475B.233**,
12 **475B.235**, **475B.240**, [475B.265,] 475B.325, 475B.330, 475B.335, **475B.340**, **475B.345**, 475B.350,
13 475B.353, 475B.355, 475B.358, **475B.360**, **475B.365**, **475B.370**, [and] 475B.380 **and 475B.373 and**
14 **sections 2, 3, 4 and 5 of this 2016 Act** do not apply:

15 “(1) To the production, processing or storage of homegrown marijuana at a household by one
16 or more persons 21 years of age and older, if the total amount of homegrown marijuana at the
17 household does not exceed four marijuana plants and eight ounces of usable marijuana at any time.

18 “(2) To the making, processing or storage of homemade cannabinoid products at a household by
19 one or more persons 21 years of age and older, if the total amount of homemade cannabinoid pro-
20 ducts at the household does not exceed 16 ounces in solid form at any time.

21 “(3) To the making, processing or storage of homemade cannabinoid products at a household by
22 one or more persons 21 years of age and older, if the total amount of homemade cannabinoid pro-
23 ducts at the household does not exceed 72 ounces in liquid form at any time.

24 “(4) To the making, processing or storage of homemade cannabinoid concentrates at a household
25 by one or more persons 21 years of age or older, if the total amount of homemade cannabinoid
26 concentrates at the household does not exceed 16 ounces at any time.

27 “(5) To the delivery of not more than one ounce of homegrown marijuana at a time by a person
28 21 years of age or older to another person 21 years of age or older for noncommercial purposes.

29 “(6) To the delivery of not more than 16 ounces of homemade cannabinoid products in solid form
30 at a time by a person 21 years of age or older to another person 21 years of age or older for non-
31 commercial purposes.

32 “(7) To the delivery of not more than 72 ounces of homemade cannabinoid products in liquid
33 form at a time by a person 21 years of age or older to another person 21 years of age or older for
34 noncommercial purposes.

35 “(8) To the delivery of not more than 16 ounces of cannabinoid concentrates at a time by a
36 person 21 years of age or older to another person 21 years of age or older for noncommercial pur-
37 poses.

38 “**SECTION 14.** ORS 475B.375 is amended to read:

39 “475B.375. ORS 475B.025, 475B.033, 475B.035, 475B.040, 475B.045, 475B.055, 475B.060, 475B.065,
40 475B.068, 475B.070, 475B.090, 475B.100, 475B.110, 475B.130, 475B.160, 475B.165, 475B.170, 475B.180,
41 475B.185, 475B.190, 475B.195, 475B.200, 475B.205, 475B.210, 475B.250, 475B.255, 475B.260, 475B.265,
42 475B.270, 475B.275, 475B.280, 475B.298, 475B.300, 475B.305, 475B.310, 475B.315, 475B.320, 475B.325,
43 475B.330, 475B.335, 475B.340, 475B.350, 475B.353, 475B.355, 475B.358, 475B.365, 475B.378, 475B.380
44 and 475B.395[.] **and section 2 of this 2016 Act:**

45 “(1) Do not apply to the extent a person acts within the scope of and in compliance with the

1 Oregon Medical Marijuana Act; and

2 “(2) Do not amend or affect duties, functions and powers of the Oregon Health Authority under
3 the Oregon Medical Marijuana Act.

4 “**SECTION 15.** ORS 475B.625 is amended to read:

5 “475B.625. (1) The Oregon Health Authority shall adopt rules establishing:

6 “(a) The maximum concentration of tetrahydrocannabinol that is permitted in a single serving
7 of a cannabinoid product or cannabinoid concentrate or extract; and

8 “(b) The number of servings that are permitted in a cannabinoid product or cannabinoid con-
9 centrate or extract package.

10 “(2)(a) **In adopting rules under subsection (1)(a) of this section, the authority shall pre-
11 scribe the different levels of concentration of tetrahydrocannabinol that is permitted in a
12 single serving of a cannabinoid product or cannabinoid concentrate or extract for:**

13 “(A) **Consumers who hold a valid registry identification card issued under ORS 475B.415;
14 and**

15 “(B) **Consumers who do not hold a valid registry identification card issued under ORS
16 475B.415.**

17 “(b) **In prescribing the levels of concentration of tetrahydrocannabinol that is permitted
18 in a single serving of a cannabinoid product or cannabinoid concentrate or extract for con-
19 sumers who hold a valid registry identification card issued under ORS 475B.415, the authority
20 shall consider the appropriate level of concentration necessary to mitigate the symptoms or
21 effects of a debilitating medical condition, as defined in ORS 475B.410.**

22 “[2] (3) In adopting rules under ORS 475B.400 to 475B.525, the authority shall require all usa-
23 ble marijuana, cannabinoid products and cannabinoid concentrates and extracts transferred by a
24 medical marijuana dispensary registered under ORS 475B.450 to meet the concentration standards
25 **and packaging standards** adopted by rule pursuant to [subsection (1) of] this section.

26 “[3] (4) In adopting rules under ORS 475B.010 to 475B.395, the Oregon Liquor Control Com-
27 mission shall require all usable marijuana, cannabinoid products and cannabinoid concentrates and
28 extracts sold or transferred by a marijuana retailer that holds a license under ORS 475B.110 to meet
29 the concentration standards **and packaging standards** adopted by rule pursuant to [subsection (1)
30 of] this section.

31
32 “**TAX RELIEF FOR REGISTRY IDENTIFICATION CARDHOLDERS**

33
34 “**SECTION 16.** Section 17 of this 2016 Act is added to and made a part of ORS 475B.700
35 to 475B.760.

36 “**SECTION 17.** (1) As used in this section, ‘designated primary caregiver,’ ‘registry iden-
37 tification card’ and ‘registry identification cardholder’ have the meanings given those terms
38 in ORS 475B.410.

39 “(2) **Notwithstanding ORS 475B.705:**

40 “(a) **A tax is not imposed upon the retail sale of marijuana items in this state to a reg-
41 istry identification cardholder or to a designated primary caregiver who is purchasing a
42 marijuana item for a registry identification cardholder; and**

43 “(b) **A marijuana retailer may not collect the tax imposed under ORS 475B.705 from a
44 consumer if, at the time at which the retail sale of the marijuana item occurs, the consumer
45 provides proof to the marijuana retailer that the consumer:**

1 “(A) Holds a valid registry identification card under ORS 475B.415; or

2 “(B) Holds a valid identification card under ORS 475B.415 (5)(b) and is purchasing the
3 marijuana item for a registry identification cardholder.

4 “(3) The Department of Revenue:

5 “(a) Shall adopt rules establishing procedures by which a marijuana retailer shall docu-
6 ment that a consumer holds a valid registry identification card issued under ORS 475B.415
7 or a valid identification card issued under ORS 475B.415 (5)(b); and

8 “(b) May adopt rules establishing procedures by which the department may verify that
9 a marijuana retailer collects the tax imposed under ORS 475B.705 from consumers of
10 marijuana items who are not registry identification cardholders or designated primary
11 caregivers.

12 “**SECTION 18.** ORS 475B.345 is amended to read:

13 “475B.345. (1) As used in this section, ‘designated primary caregiver’ and ‘registry iden-
14 tification cardholder’ have the meanings given those terms in ORS 475B.410.

15 “[(1)(a)] (2)(a) Except as expressly authorized by this section, the authority to impose a tax or
16 fee on the production, processing or sale of marijuana items in this state is vested solely in the
17 Legislative Assembly.

18 “(b) Except as expressly authorized by this section, a county, city or other municipal corpo-
19 ration or district may not adopt or enact ordinances imposing a tax or fee on the production, pro-
20 cessing or sale of marijuana items in this state.

21 “[(2)] (3) Subject to subsection [(4)] (5) of this section, the governing body of a city or county
22 may adopt an ordinance to be referred to the electors of the city or county as described in sub-
23 section [(3)] (4) of this section that imposes a tax or a fee on the sale of marijuana items that are
24 sold in the area subject to the jurisdiction of the city or the unincorporated area subject to the ju-
25 risdiction of a county by a person that holds a license under ORS 475B.110.

26 “[(3)] (4) If the governing body of a city or county adopts an ordinance under this section, the
27 governing body shall refer the measure of the ordinance to the electors of the city or county for
28 approval at the next statewide general election.

29 “[(4)] (5) An ordinance adopted under this section may not impose a tax or fee:

30 “(a) In excess of three percent[.]; or

31 “(b) **On a registry identification cardholder or on a designated primary caregiver who is**
32 **purchasing a marijuana item for a registry identification cardholder.**

33 “**SECTION 19.** ORS 475B.730 is amended to read:

34 “475B.730. (1) Notwithstanding the confidentiality provisions of ORS 475B.755, the Department
35 of Revenue may disclose information received under ORS 317.363 and 475B.700 to 475B.760 to:

36 “(a) The Oregon Liquor Control Commission to carry out the provisions of ORS 475B.010 to
37 475B.395 and 475B.700 to 475B.760[.]; and

38 “(b) **The Oregon Health Authority to carry out the provisions of section 17 of this 2016**
39 **Act.**

40 “(2) The commission may disclose information obtained pursuant to ORS 475B.010 to 475B.395
41 and 475B.700 to 475B.760 to the department for the purpose of carrying out the provisions of ORS
42 475B.010 to 475B.395 and 475B.700 to 475B.760.

43 “(3) **The authority may disclose information obtained pursuant to ORS 475B.415 or**
44 **475B.418 to the department for the purpose of carrying out the provisions of section 17 of**
45 **this 2016 Act, provided that the authority does not disclose personally identifiable informa-**

1 **tion.**

2 **“SECTION 20.** ORS 475B.750 is amended to read:

3 **“475B.750. (1)** The Department of Revenue shall administer and enforce ORS 475B.700 to
4 475B.760. The department is authorized to establish rules and procedures for the implementation and
5 enforcement of ORS 475B.700 to 475B.760 that are consistent with ORS 475B.700 to 475B.760 and
6 that the department considers necessary and appropriate to administer and enforce ORS 475B.700
7 to 475B.760.

8 **“(2)** The Oregon Liquor Control Commission shall enter into an agreement with the department
9 for the purpose of administering and enforcing those provisions of ORS 475B.700 to 475B.760, and
10 rules or procedures established for the purpose of implementing and enforcing ORS 475B.700 to
11 475B.760, that the commission and the department determine are necessary for the effective and ef-
12 ficient administration, implementation and enforcement of ORS 475B.700 to 475B.760.

13 **“(3) The Oregon Health Authority shall enter into an agreement with the department for**
14 **the purpose of administering and enforcing the provisions of section 17 of this 2016 Act, and**
15 **rules or procedures established for the purpose of implementing and enforcing section 17 of**
16 **this 2016 Act, that the authority and the department determine are necessary for the effec-**
17 **tive and efficient administration, implementation and enforcement of section 17 of this 2016**
18 **Act.**

19
20 **“EARLY START**

21
22 **“SECTION 21.** Section 2, chapter 784, Oregon Laws 2015, is amended to read:

23 **“Sec. 2. (1)** As used in this section:

24 **“(a) ‘Cannabinoid edible’ has the meaning given that term in ORS 475B.410.**

25 **“(b) ‘Cannabinoid extract’ has the meaning given that term in ORS 475B.410.**

26 **“[(a)] (c) ‘Limited marijuana retail product’ means:**

27 **“(A)** The seeds of marijuana;

28 **“(B)** The dried leaves and flowers of marijuana; *[and]*

29 **“(C)** A marijuana plant that is not flowering[.];

30 **“(D) Cannabinoid edibles;**

31 **“(E) Nonpsychoactive medical cannabinoid products intended to be applied to a person’s**
32 **skin or hair; and**

33 **“(F) Prefilled receptacles of cannabinoid extracts.**

34 **“[(b)] (d) ‘Marijuana’ means the plant Cannabis family Cannabaceae, any part of the plant**
35 **Cannabis family Cannabaceae and the seeds of the plant Cannabis family Cannabaceae.**

36 **“(e) ‘Medical cannabinoid product’ has the meaning given that term in ORS 475B.410.**

37 **“[(c)] (f) ‘Medical marijuana dispensary’ means an entity registered with the Oregon Health**
38 **Authority under ORS [475.314] 475B.450.**

39 **“(2)** Notwithstanding any other provision of law, on and after October 1, 2015, a medical
40 marijuana dispensary may sell limited marijuana retail product to a person who is 21 years of age
41 or older if:

42 **“(a)** The person presents proof of age to the medical marijuana dispensary before entering into
43 the medical marijuana dispensary;

44 **“(b)** The medical marijuana dispensary verifies that the person is 21 years of age or older at the
45 time of the sale;

1 “(c) The medical marijuana dispensary sells no more than one-quarter ounce of limited
2 marijuana retail product to the person per day if the person is purchasing the dried leaves and
3 flowers of marijuana; [and]

4 “(d) The medical marijuana dispensary sells no more than four units of limited marijuana retail
5 product to the person if the person is purchasing a marijuana plant that is not flowering[.];

6 **“(e) The medical marijuana dispensary sells no more than one single-serving, low-dose
7 unit of limited marijuana retail product to the person per day if the person is purchasing a
8 cannabinoid edible; and**

9 **“(f) The medical marijuana dispensary sells no more than one receptacle of limited
10 marijuana retail product to the person per day if the person is purchasing a prefilled recep-
11 tacle of a cannabinoid extract.**

12 “(3) A city or county may adopt ordinances prohibiting the sale of limited marijuana retail
13 product as described in this section in the area subject to the jurisdiction of the city or the
14 unincorporated area subject to the jurisdiction of the county.

15 “(4) The authority shall adopt rules **or issue orders** to implement this section, including rules
16 **or orders** that:

17 **“(a) Ensure that all limited marijuana retail product sold by a medical marijuana
18 dispensary under this section is tested as prescribed by the authority;**

19 “[*a*] **(b)** Are necessary to ensure the public health and safety; and

20 “[*b*] **(c)** Ensure that a medical marijuana dispensary complies with this section.

21 “(5) The authority may prohibit a medical marijuana dispensary from selling limited marijuana
22 retail product as described in this section if the medical marijuana dispensary violates this section.

23
24 **“STAY ON POSSESSION LIMITS FOR
25 PERSONS APPLYING TO BE LICENSED BY
26 THE OREGON LIQUOR CONTROL COMMISSION**

27
28 **“SECTION 22. (1) As used in this section:**

29 **“(a) ‘Marijuana’ has the meaning given that term in ORS 475B.015.**

30 **“(b) ‘Marijuana grow site’ has the meaning given that term in ORS 475B.410.**

31 **“(c) ‘Marijuana producer’ has the meaning given that term in ORS 475B.015.**

32 **“(d) ‘Premises’ has the meaning given that term in ORS 475B.015.**

33 **“(e) ‘Produce’ has the meaning given that term in ORS 475B.015.**

34 **“(f) ‘Registry identification cardholder’ has the meaning given that term in ORS 475B.410.**

35 **“(2) For each person responsible for a marijuana grow site located at an address, the
36 amount of mature marijuana plants produced at that address on the effective date of this
37 2016 Act may continue to be produced at the address, regardless of whether the amount of
38 mature marijuana plants is in excess of the limits imposed under ORS 475B.428, if an appli-
39 cant for licensure under ORS 475B.070 files notice under subsection (3) of this section and
40 if:**

41 **“(a) A completed application has been filed with the Oregon Liquor Control Commission
42 under ORS 475B.040 on or before April 1, 2016, to produce marijuana on the premises that is
43 located at the address, and the applicant has paid in full the application fee adopted by the
44 commission under ORS 475B.070; or**

45 **“(b) Under the circumstance that the commission discontinues licensing the premises of**

1 marijuana producers pursuant to ORS 475B.800 (4)(b), a completed application has been filed
2 with the commission under ORS 475B.040 on or before April 1, 2016, to produce marijuana
3 on the premises that is located at the address, except for the requirement that a land use
4 compatibility statement be obtained as described in ORS 475B.063, and the applicant has paid
5 in full the application fee adopted by the commission under ORS 475B.070.

6 “(3) To continue to produce mature marijuana plants in excess of the limits imposed
7 under ORS 475B.428 as described in subsection (2) of this section, an applicant must file with
8 the Oregon Health Authority, in a form and manner prescribed by the authority, notice that
9 contains the following information:

10 “(a) The name and signature of each person responsible for a marijuana grow site located
11 at the address, attesting that each person responsible for a marijuana grow site located at
12 the address consents to the intent to hold a license under ORS 475B.070;

13 “(b) The name of each registry identification cardholder for whom marijuana is produced
14 at the address;

15 “(c) Proof that the applicant has sent, by certified mail with return receipt requested to
16 each registry identification cardholder for whom marijuana is produced at the address, no-
17 tice:

18 “(A) Of the registry identification cardholder’s possessory rights under ORS 475B.420 (7);
19 and

20 “(B) That the registry identification cardholder’s possessory rights under ORS 475B.420
21 (7) terminate on the date that the applicant receives a license under ORS 475B.070 to produce
22 marijuana on the premises that is located at the address; and

23 “(d) A statement that the applicant has filed a completed application with the commis-
24 sion under ORS 475B.040, as described in subsection (2)(a) or (b) of this section, to produce
25 marijuana on the premises that is located at the address.

26 “(4) On the date that an applicant receives a license under ORS 475B.070 to produce
27 marijuana at an address, the possessory right to all seeds, immature marijuana plants, ma-
28 ture marijuana plants and usable marijuana in the applicant’s possession transfer from each
29 registry identification cardholder for whom marijuana is being produced at the address to the
30 applicant, provided that the applicant provides just compensation to any registry identifica-
31 tion cardholder who requests to be paid for the seeds, immature marijuana plants, mature
32 marijuana plants and usable marijuana being transferred from the registry identification
33 cardholder to the applicant. Provision of just compensation as required by this subsection
34 can be part of an agreement entered into under section 2 (4) of this 2016 Act.

35 “(5) Upon receiving notice under subsection (3) of this section, the authority shall:

36 “(a) Forward the notice to the commission; and

37 “(b) Suspend issuing marijuana grow site registration cards under ORS 475B.420 to any
38 proposed marijuana grow site that would be located at the premises for which licensure is
39 sought.

40 “(6) Upon receiving a notice from the authority under subsection (5) of this section, the
41 commission shall provide the authority with information verifying that the applicant has met
42 the conditions set forth in subsection (2)(a) or (b) of this section.

43 “(7) The commission and the authority shall enter into an agreement for the purpose of
44 sharing information necessary to implement and administer this section. As part of the
45 agreement, the authority shall provide to the commission, notwithstanding any laws relating

1 to the confidentiality of information under ORS 475B.460 and 475B.462, the registration in-
2 formation of a person responsible for a marijuana grow site, or of a registry identification
3 cardholder, whose name is submitted as part of the notice required by subsection (3) of this
4 section. Information received by the commission under this subsection that is confidential
5 and not subject to public disclosure under ORS 475B.460 and 475B.462 remains confidential
6 and not subject to public disclosure after being provided to the commission.

7 **“SECTION 23.** Notwithstanding the operative date specified in section 179, chapter 614,
8 Oregon Laws 2015, a person is not subject to the limits imposed on mature marijuana plants
9 under ORS 475B.428 (3) and (4):

10 **“(1)** Until April 1, 2016; or

11 **“(2)** If the person has filed a completed application with the Oregon Liquor Control
12 Commission under ORS 475B.040 as described in section 22 (2)(a) and (b) of this 2016 Act.

13 **“SECTION 24.** Sections 22 and 23 of this 2016 Act are repealed on January 1, 2017.

14
15 **“STAY ON POSSESSION LIMITS FOR**
16 **PERSONS NOT APPLYING TO BE LICENSED BY**
17 **THE OREGON LIQUOR CONTROL COMMISSION**
18

19 **“SECTION 25.** Section 26 of this 2016 Act is added to and made a part of ORS 475B.400
20 to 475B.525.

21 **“SECTION 26.** (1) For the persons responsible for each marijuana grow site located at
22 an address to continue to produce the number of mature marijuana plants described in ORS
23 475B.428 (3)(b) or (4)(b), each person responsible for a marijuana grow site located at the
24 address shall send a notice to the Oregon Health Authority, in a form and manner prescribed
25 by the authority, stating:

26 **“(a)** That the person responsible for the marijuana grow site was first registered with the
27 authority under ORS 475B.420 before January 1, 2015, to produce mature marijuana plants
28 at that address; and

29 **“(b)** The number of registry identification cardholders for whom the person responsible
30 for the marijuana grow site was producing mature marijuana plants at that address on De-
31 cember 31, 2014.

32 **“(2)** The authority may use any means necessary to verify information received by the
33 authority under subsection (1) of this section.

34 **“(3)** Notwithstanding the limits imposed on the production of mature marijuana plants
35 in ORS 475B.428 (3), an amount of mature marijuana plants in excess of 12 mature marijuana
36 plants, not to exceed 24 mature marijuana plants, may be produced at the address until the
37 earlier of the following:

38 **“(a)** The date on which the authority makes a determination that the address meets or
39 does not meet the criteria for producing that amount of mature marijuana plants as set
40 forth in subsection (5) of this section; or

41 **“(b)** May 1, 2016.

42 **“(4)** Notwithstanding the limits imposed on the production of mature marijuana plants
43 in ORS 475B.428 (4), an amount of mature marijuana plants in excess of 48 mature marijuana
44 plants, not to exceed 96 mature marijuana plants, may be produced at the address until the
45 earlier of the following:

1 “(a) The date on which the authority makes a determination that the address meets or
2 does not meet the criteria for producing that amount of mature marijuana plants as set
3 forth in subsection (5) of this section; or

4 “(b) May 1, 2016.

5 “(5) A person responsible for a marijuana grow site who was not first registered with the
6 authority under ORS 475B.420 before January 1, 2015, and who was not registered at a
7 marijuana grow site on December 31, 2014, may not be registered to produce mature
8 marijuana plants in amounts set forth in ORS 475B.428 (3)(b) or (4)(b).

9 “SECTION 27. Section 26 of this 2016 Act is repealed on January 1, 2017.

10
11 **“DISTANCE REQUIREMENTS**

12
13 “SECTION 28. Section 29 of this 2016 Act is added to and made a part of ORS 475B.400
14 to 475B.525.

15 “SECTION 29. (1) Notwithstanding ORS 475B.450 (3)(d), a city or county may adopt an
16 ordinance allowing a medical marijuana dispensary to be located within 500 feet of a public
17 elementary or secondary school for which attendance is compulsory under ORS 339.020, or
18 a private or parochial elementary or secondary school teaching children as described in ORS
19 339.030 (1)(a), if the county or city determines that a physical or geographic barrier capable
20 of preventing children from traversing to the school separates the medical marijuana
21 dispensary from the school.

22 “(2) A city or county that adopts an ordinance under this section must inform the
23 Oregon Health Authority, in a form and manner prescribed by the authority, of the content
24 and effective date of the ordinance.

25 “SECTION 29a. Section 29b of this 2016 Act is added to and made a part of ORS 475B.010
26 to 475B.395.

27 “SECTION 29b. (1) Notwithstanding ORS 475B.110 (2)(d), a city or county may adopt an
28 ordinance allowing a premises for which a license has been issued under ORS 475B.110 to be
29 located within 500 feet of a public elementary or secondary school for which attendance is
30 compulsory under ORS 339.020, or a private or parochial elementary or secondary school
31 teaching children as described in ORS 339.030 (1)(a), if the county or city determines that a
32 physical or geographic barrier capable of preventing children from traversing to the school
33 separates the premises from the school.

34 “(2) A city or county that adopts an ordinance under this section must inform the
35 Oregon Liquor Control Commission, in a form and manner prescribed by the commission,
36 of the content and effective date of the ordinance.

37 “SECTION 30. ORS 475B.450 is amended to read:

38 “475B.450. (1)(a) The Oregon Health Authority shall establish by rule a medical marijuana
39 dispensary registration system for the purpose of tracking and regulating the transfer of:

40 “(A) Usable marijuana, immature marijuana plants and seeds from registry identification
41 cardholders, designated primary caregivers and persons responsible for marijuana grow sites to
42 medical marijuana dispensaries;

43 “(B) Medical cannabinoid products, cannabinoid concentrates and cannabinoid extracts from
44 persons responsible for marijuana processing sites to medical marijuana dispensaries; and

45 “(C) Usable marijuana, immature marijuana plants, seeds, medical cannabinoid products,

1 cannabinoid concentrates and cannabinoid extracts from medical marijuana dispensaries to registry
2 identification cardholders and designated primary caregivers.

3 “(b) A person may not operate an establishment for the purpose of providing the services de-
4 scribed in paragraph (a) of this subsection unless the person is registered under this section.

5 “(2) The registration system established under subsection (1) of this section must require an
6 applicant for a medical marijuana dispensary to submit an application to the authority that includes:

7 “(a) The name of the individual who owns the medical marijuana dispensary or, if a business
8 entity owns the medical marijuana dispensary, the name of each individual who has a financial in-
9 terest in the medical marijuana dispensary;

10 “(b) The name of the individual or individuals responsible for the medical marijuana dispensary,
11 if different from the name of the individual who owns the medical marijuana dispensary;

12 “(c) The address of the medical marijuana dispensary;

13 “(d) Proof, until January 1, 2020, that each individual responsible for the medical marijuana
14 dispensary has been a resident of this state for two or more years, and proof that each individual
15 responsible for the medical marijuana dispensary is 21 years of age or older;

16 “(e) Documentation, as required by the authority by rule, that demonstrates the medical
17 marijuana dispensary meets the requirements of subsection (3) of this section; and

18 “(f) Any other information that the authority considers necessary.

19 “(3) To qualify for registration under this section, a medical marijuana dispensary:

20 “(a) May not be located in an area that is zoned for residential use;

21 “(b) May not be located at the same address as a marijuana grow site;

22 “(c) Must be registered as a business, or have filed an application to register as a business, with
23 the office of the Secretary of State;

24 “(d) **Except as provided under section 29 of this 2016 Act**, may not be located within 1,000
25 feet of:

26 “(A) A public elementary or secondary school for which attendance is compulsory under ORS
27 339.020; or

28 “(B) A private or parochial elementary or secondary school, teaching children as described in
29 ORS 339.030 (1)(a);

30 “(e) Must not be located within 1,000 feet of another medical marijuana dispensary; and

31 “(f) Must meet the requirements of any rule adopted by the authority under subsection (10) of
32 this section.

33 “(4)(a) The authority shall conduct a criminal records check under ORS 181A.195 for each indi-
34 vidual named in an application submitted under subsection (2) of this section.

35 “(b) An individual convicted for the manufacture or delivery of a controlled substance in
36 Schedule I or Schedule II may not own or be responsible for a medical marijuana dispensary for two
37 years from the date the individual is convicted.

38 “(c) An individual convicted more than once for the manufacture or delivery of a controlled
39 substance in Schedule I or Schedule II may not own or be responsible for a medical marijuana
40 dispensary.

41 “(5) If a person submits the application required under subsection (2) of this section, if the
42 medical marijuana dispensary identified in the application meets the requirements of this section and
43 any rules adopted under this section and if each individual named in the application passes the
44 criminal records check required under subsection (4) of this section, the authority shall register the
45 medical marijuana dispensary and issue proof of registration. Proof of registration must be displayed

1 on the premises of the medical marijuana dispensary at all times.

2 “(6) A medical marijuana dispensary that is registered under this section is not required to
3 register with the State Board of Pharmacy under ORS 475.125.

4 “(7) The individual or individuals responsible for a medical marijuana dispensary shall maintain
5 documentation of each transfer of usable marijuana, medical cannabinoid products, cannabinoid
6 concentrates, cannabinoid extracts, immature marijuana plants and seeds.

7 “(8) The authority may inspect:

8 “(a) The premises of a proposed medical marijuana dispensary or a registered medical marijuana
9 dispensary to ensure compliance with this section and ORS 475B.453 and any rules adopted under
10 this section or ORS 475B.453; and

11 “(b) The records of a registered medical marijuana dispensary to ensure compliance with sub-
12 section (7) of this section.

13 “(9) Subject to the provisions of ORS chapter 183, the authority may refuse to register an ap-
14 plicant under this section or may suspend or revoke the registration of a medical marijuana
15 dispensary if the authority determines that the applicant, the owner of the medical marijuana
16 dispensary, a person responsible for the medical marijuana dispensary, or an employee of the med-
17 ical marijuana dispensary, violated a provision of ORS 475B.400 to 475B.525, a rule adopted under
18 ORS 475B.400 to 475B.525 or an ordinance adopted pursuant to ORS 475B.500.

19 “(10) The authority shall adopt rules to implement this section, including rules that:

20 “(a) Require a registered medical marijuana dispensary to annually renew the registration for
21 that dispensary;

22 “(b) Establish fees for registering, and renewing the registration of, a medical marijuana
23 dispensary;

24 “(c) Require that each medical marijuana dispensary install and maintain a minimum security
25 system that includes video surveillance, an alarm system and a safe;

26 “(d) Require that usable marijuana, medical cannabinoid products, cannabinoid concentrates,
27 cannabinoid extracts and immature marijuana plants transferred by a medical marijuana dispensary
28 be tested to ensure the public health and safety; and

29 “(e) Impose any other standard on the operation of a medical marijuana dispensary to ensure
30 the public health and safety.

31 “**SECTION 31. Section 29 of this 2016 Act and the amendments to ORS 475B.450 by section**
32 **30 of this 2016 Act become operative on March 1, 2016.**

33
34 **“MARIJUANA ABUSE PREVENTION**

35
36 “**SECTION 32.** ORS 336.241 is amended to read:

37 “336.241. (1) As part of the comprehensive alcohol and drug abuse policy and implementation
38 plan described in ORS 336.222, the Oregon Health Authority, State Board of Education and Alcohol
39 and Drug Policy Commission shall collaborate on developing **supplemental curricula** for marijuana
40 abuse prevention [*curricula*] and public information programs for students, parents, teachers, ad-
41 ministrators and school board members.

42 “(2) In the manner provided by ORS 192.245, the authority shall report on the implementation
43 of this section to the Legislative Assembly on or before February 1 of each odd-numbered year.

44
45 **“REPEAL OF AUTHORITY TO ISSUE**

**MARIJUANA PRODUCTION LICENSES
TO MARIJUANA GROW SITES**

1
2
3
4 **“SECTION 33. ORS 475B.080 is repealed.**

5 **“SECTION 34.** ORS 475B.285 is amended to read:

6 “475B.285. (1) An Oregon Liquor Control Commission regulatory specialist has the authority as
7 provided in ORS 133.005 to 133.400, 133.450, 133.525 to 133.703, 133.721 to 133.739, 161.235, 161.245
8 and 475B.010 to 475B.395, ORS chapter 153 and chapter 743, Oregon Laws 1971, to conduct in-
9 spections and investigations, make seizures, aid in prosecutions for offenses, issue citations for vio-
10 lations and otherwise enforce the provisions of ORS 475B.010 to 475B.395, any rule adopted under
11 ORS 475B.010 to 475B.395 and any other law of this state that charges the commission with a duty,
12 function or power related to marijuana, including enforcing any provision of a law or rule related
13 to individuals who use false identification for purposes of purchasing or possessing a marijuana item
14 or who engage in illegal activity on or near a [*licensed*] premises.

15 “(2) A commission regulatory specialist may not:

16 “(a) Be sworn in as a federal law enforcement official and act in that capacity while performing
17 duties under this section.

18 “(b) Carry a firearm.

19 “(c) Conduct inspections and investigations of a primary residence or for purposes of ensuring
20 compliance with ORS 475B.245 and 475B.375.

21 “(d) [*Except as provided in ORS 475B.080,*] Conduct inspections and investigations for purposes
22 of ensuring compliance with ORS 475B.400 to 475B.525.

23
24 **“UNIT CAPTIONS**

25
26 **“SECTION 35.** The unit captions used in this 2016 Act are provided only for the conven-
27 ience of the reader and do not become part of the statutory law of this state or express any
28 legislative intent in the enactment of this 2016 Act.

29
30 **“EMERGENCY CLAUSE**

31
32 **“SECTION 36.** This 2016 Act being necessary for the immediate preservation of the public
33 peace, health and safety, an emergency is declared to exist, and this 2016 Act takes effect
34 on its passage.”.