March 13, 2017

TO: The Honorable Senator Ginny Burdick, Co-Chair
The Honorable Representative Ann Lininger, Co-Chair
Joint Committee on Marijuana Regulation

FROM: Anthony Taylor
Compassionate Oregon

Re: HB 2198 – testimony in support

Good evening Madame Co-chairs and members of the committee

For the record my name is Anthony Taylor and I am the president of Compassionate Oregon. We are a non-profit organization that advocates for medical cannabis patients.

Thank you for the opportunity to provide insight into this bill and to the committee as well for introducing it.

What we are proposing with HB 2198 is a different approach to cannabis regulation in Oregon as it applies to our medical program and how we can better protect it and the benefits it provides for all Oregonians and regulation overall.

We believe this bill offers a way to streamline both medical and adult use systems by reducing administrative costs without over regulation simply by making sure everyone is doing what they are good at.

We believe that the medical and adult use programs are two distinct programs and any regulatory scheme should be administered by the appropriate agency(s). Remember, OMMP growers meet the needs of the patients while OLCC producers are subject to the whims and demands of the consumer market. All patients are consumers but not all consumers are patients.

Compassionate Oregon's initial approach to drafting this bill was to take on the task of protecting the medical marijuana program from being absorbed by the adult use program. We feared integration would overshadow and overwhelm the needs of the patient in favor of the demands of the market.

We had two goals for this legislation:

1. Relieve the Oregon Health Authority of its responsibility for administering the OMMP and,
2. Shift OMMP growers growing for others to the Department of Agriculture.

We do support some regulatory consolidation based simply on organizational structure and felt it important to include these proposals in this bill as well and have listed them here.

- Eliminate OHA Processors
- Bring OHA dispensaries under OLCC
- Streamline reporting.
- End patient and grower fees from being used to subsidize other OHA programs

As we said before, our basic premise was that the adult use and medical programs were two distinct programs and that for many reasons these two programs needed to remain separate and that the line between them was bright and the distinctions clear.

Certainly there are similar requirements in both systems such as testing, processing, and reporting that would fit well into consolidation. Merging the two systems completely however would be crossing the line between commerce and compassion making it more difficult to determine that line for both industry and patients and state and federal regulators.

We also felt it important for the state to administer these programs efficiently, and that they should approach regulation by determining the different features of the regulatory structure and assigning it to the appropriate agency. It is not too late to still do this.

To help us sort this out, we drafted our own organizational chart based on how we thought we should approach this task. This is not the final chart by any means but it gave us a starting point, something we could look at to really understand what we were trying to accomplish.

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To meet our first goal, HB 2198 creates the Medical Use of Cannabis Board as a semi-independent board to assume the administrative duties of the OMMP. As the bill proposes, the board will continue the duties of administering the registry for patients, caregivers and growers, oversee clinics and patient-grower relationship, oversee the management of “personal medical growers” and any dispensaries that are located in jurisdictions that prohibit OLCC licenses.

The board is a nine member board appointed by the governor. The Board shall administer and enforce ORS 475B.400 to 475B.525.

Our second proposal, moving OMMP growers to the Department of Agriculture, was intended to do three things:

1. Protect these growers from becoming intertwined with OLCC growers. This puts patients at risk. The two year time line presented by Director Marks for this integration is too long to leave patients worrying if they will still have access to their medicines.
2. Provide additional protection from federal intervention and enforcement should recent statements by the new administration regarding recreational marijuana be followed through on.
3. Begin moving all cannabis cultivation under ODA.

Elimination of OHA processors is a logical next step. Processors involved with producing high potency oils and other extracts are really producing medical products and in the regulatory system should be treated no different than labs. Consolidating Processors would save the state money, eliminate confusion and take this off of OHA’s plate.

OHA dispensaries. This is a tough one but it is also a logical next step and we believe retail and wholesale distribution should be administered by one agency. However, we are still confronted with cities and counties that prohibit OLCC licenses and this factor is not going away anytime soon. This affects approximately 8,000 OMMP growers across the state – those who can’t obtain an OLCC license because of county prohibitions and those that cannot obtain a LUCS due to land use regulation.

This was encountered in the integration workgroup and it is safe to say it is still the key component and biggest obstacle to participation in the OLCC system. Until this hurdle is overcome those 8,000 growers will still be left out of the regulated system with little option left but to opt for a return to bygone days.

A regulatory scheme that provides only one option for growers and regulators facing a patchwork of local ordinances that vary from city to city and county by county will force many growers to opt out of the legal options. Growers will grow their six medical and four recreational plants with no oversight at all and the excess produced by these folks will likely find its way into unregulated markets.

This is not a position Oregon wants to find itself in but one it seems headed for if integration is adopted. If we don't take the time to honestly assess, to take a step back and look at our project for a minute and make sure our fence is still straight, level and plumb and hasn't spilled over into the street or our neighbor's yard, we leave ourselves vulnerable to over-zealous federal intervention.

We know there will be costs if this bill is adopted. But if responsibilities are shifted, it will not matter which agency assumes those responsibilities.

The real costs here, however, are those costs facing Oregonians that benefit from cannabis and we often lose sight of this. When patients are forced to pay retail prices they cannot afford because the integration has made their medicines too expensive or unavailable entirely or patients find themselves still unable to find a grower, we are no longer supporting our medical program.

The bright line that we establish between recreational and medical is the same bright line needed between compassion and commerce. We must be careful not to let the regulation of commerce destroy the very fundamental premise of our medical program - the ability to grow one's own medicine and the right to grow it for others if they cannot grow it for themselves.

In conclusion, HB 2198 does offer a different approach to regulation. Integration solves few regulatory issues while causing irreparable harm to patients. As the Americans for Safe Access report states, "[Oregon should], "avoid temptation[s] to merge the medical program with the state's recently adopted adult use program." We would do well to continue our leadership role "Oregon continues to have one of the strongest medical cannabis programs for patients in the nation,"

We should keep it that way.

Thank you. I am happy to answer any questions.