

OLCC Commission Structure and Advisory Committees	
Action	Rational
<p><u>OLCC commission structure</u> (5 public members by congressional district, 1 alcohol, 1 marijuana at large (nonvoting), Chair is public member</p> <p><u>OLCC shall form two standing advisory committees: a Cannabis Advisory Committee and an Alcohol Advisory Committee</u>; at large board member is the chair of the advisory committee; committee makes rule and policy recommendations to the full board.</p> <p><u>OLCC Advisory Committee composition</u>: 4 licensees or contract stores (includes chair) from a cross section of the industry, 1 law enforcement, 1 public health, 1 public member</p> <p>Two year sunrise</p>	<p>One OLCC board avoids conflicts regarding executive director appointment and separate lines of case precedent</p> <p>Avoids conflict between federal alcohol and marijuana status in the law</p> <p>Industry members can be chosen from a statewide, rather than continually from one congressional district</p> <p>Meets principles for OLCC existing, expanded or changed commission</p> <ul style="list-style-type: none"> • Majority of public members for rulemaking • Maximize industry engagement • Maximize administrative efficiency • Minimize disruption <p>Discussion: Yes</p> <p><i>Note: If marijuana is legalized federally, then both the alcohol and marijuana members could become voting members</i></p>

OHA Medical Use of Cannabis Board	
Action	Rational
<p><u>OHA shall form a Medical Use of Cannabis Board</u> (consolidation of Advisory Committee on Medical Marijuana & Qualifying Conditions Committee) to adopt cardholder acceptance and revocation procedures, qualifying conditions, exceptions to the OLCC sharing limits, recommendations for medical research, recommendations to OLCC on serving size and dosage, study patient access for low income patients</p> <p><u>OHA Medical Use of Cannabis Board composition:</u> 3 medical marijuana industry, 3 physicians, 3 public members, one of which is a cardholder</p> <p>2 year sunrise</p>	<p>Provides medical focus for oversight of the cardholder program</p> <p>Develops process for high need medical card holders</p> <p>Discussion: Yes</p>
OLCC Name Change	
Action	Rational
<p>If a name change is adopted, delay the change for a biennium</p>	<p>A biennium to implement could help minimize the conflict with completing critical work, such as licensing and enforcement.</p> <p>Name is threaded throughout the agency’s documents, forms, and website as well as executed contracts and auxiliary materials such as business cards, licenses, and signage.</p> <p>Discussion: Yes</p>

Medical Cards	
Action	Rational
OHA continues to determine eligibility and issues medical cards	OHA has a system in place to register medical cardholders and caregivers Discussion: Yes
<p>Create card validation system between OHA and OLCC.</p> <p>OHA and OLCC creates sytem to share data so that OLCC retailers can electronically identify valid cardholders eligible for medical grade product, no taxes, and annual amounts over a set limit for each product type</p> <p>Shared information remains exempt from public disclosure, however the OLCC can anonymize it (i.e. total number of cardholders exceeding annual limits)</p>	<p>Helps prevent fraudulent use of medical cards.</p> <p>Discussion: Yes</p> <p><u>Further work</u></p> <p><i>Need to have a card number on the receipt (while waiting for card) so that it can be entered into the cannabis tracking system.</i></p> <p><i>A card validation system still needs to be done, even if integration does not happen.</i></p>

OLCC Processor, Wholesaler, Retailer and Lab Licenses	
Action	Rational
<p>OLCC licenses all processors, wholesalers, retailers and labs</p> <p>Processors can process both recreational and medical grade product (allowed today)</p> <p>Wholesalers can sell both recreational and medical grade product (allowed today)</p> <p>Retailers can sell both recreational and medical grade product (allowed today)</p>	<p>OLCC has a system in place for licensing and enforcement of processors, wholesalers, retailers and labs.</p> <p>Eliminates local government, law enforcement, and public concern relating to difficulties in identifying the appropriate licensing agency</p> <p>Eliminates duplicative licensing and enforcement processes</p> <p>Simplifies rulemaking</p> <p>Discussion: Yes</p> <p><u>Further work</u></p> <p><i>Need to create an opt-out exemption for OLCC retail stores to sell medical products only in opt-out cities and counties.</i></p>
Packaging, Labeling and Dosage/Serving Size	
Action	Rational
<p>OLCC regulates labeling, packaging, and dosage/serving size</p>	<p>Eliminates confusion due to dual rulemaking for labeling, packaging, and serving size</p> <p>OLCC will receive guidance on dosage/serving size from OHA’s Medical Use of Cannabis Board (see above)</p> <p>Discussion: Yes</p>

Marijuana Worker Permits	
Action	Rational
OLCC regulates	OLCC has a system in place Discussion: Yes
Research Certificates	
Action	Rational
OLCC regulates	OLCC has a system in place Discussion: Yes

Personal Medical Grow (Noncommercial)	
Action	Rational
<p>The maximum number of plants that can be grown at a household with a resident who is a cardholder is 10 plants total (6 medical plants for 1 cardholder and 4 personal use)</p> <p>No grower registration is required other than obtaining a medical card from OHA</p> <p>No plants can be grown for nonresident; however resident cardholder can gift excess marijuana to another medical cardholder regardless of whether they live in the same or a different household.</p> <p>No sales are allowed.</p> <p>Existing possession limits apply.</p> <p>Personal grower may take cannabis for processing to OLCC processor as long as it is tracked in the Cannabis Tracking System.</p>	<p>Maximum plants per household establishes bright line for law enforcement – anything above limit is a commercial grow that must be registered by OLCC</p> <p>Discussion: See below</p> <p>How many plants should be at each household? Options identified:</p> <ul style="list-style-type: none"> • 10 (6 medical plants and 4 personal) • 16 (12 medical plants and 4 personal) <p>Can you grow for someone else at your residence? Options identified:</p> <ul style="list-style-type: none"> • No; however, if you want to grow for someone who is not a resident, you may be eligible for a reduced cost Micro Tier 1 license with a medical endorsement • Yes; but the grow for a nonresident cardholder must be registered with OHA at that address <p>3. What’s included in the plant count – flowering or seedlings? Yes</p> <ul style="list-style-type: none"> • Medical plants – flowering • Medical plants – seedlings a 6X factor of plant limit set by legislators • Household plant limit – existing law

OLCC Growers and Bump Up Medical Canopy	
Action	Rational
<p>OLCC licenses all grows over 6 medical plants and 4 personal plants per household (or limit adopted by the legislature)</p> <p>OLCC continues to license Micro Tier 1, Micro Tier 2, Tier 1 and Tier 2 commercial grows</p> <p>OLCC sets size of bump up medical canopy for licensed producers and requires a percentage of the harvest to be shared with cardholders in order to receive the expanded canopy.</p>	<p>OLCC has a licensing system in place</p> <p>Incentivizes grower sharing of useable marijuana with medical card holders</p> <p>Rulemaking is already underway</p> <p>Discussion: Yes <i>OLCC sets size of bump up canopy and sharing percentages for OLCC commercial growers (current law)- Yes</i></p> <ul style="list-style-type: none"> • <i>75% of bump up must be shared with cardholders, 25% of bump up can be sold in commercial market, fine if not met - Yes</i> • <i>No cardholder relationship required - Yes</i>

OLCC Micro Tier 1 Grower with Medical Endorsement	
Action	Rational
<p>OLCC adds a <u>MicroTier 1 with medical grow endorsement</u> for MicroTier 1 growers who commit to sharing a certain percentage of their harvest to medical cardholders. The remainder of their harvest can be sold to all other OLCC license types.</p> <p><u>MicroTier 1 growers with a medical endorsement</u> pay \$200 instead of \$1000. In addition the OLCC pays the \$480 annual CTS cost for these growers. The cost to subsidize each grower in this category is \$1,280 per year or \$2,560 per biennium.</p> <p>Over six plants: Total annual costs if all eligible OHA growers over 6 plants converted would be \$8.9 million per year or \$17.9 million per biennium.</p> <p>Over 12 plants: Total annual costs if all eligible OHA growers over 12 plants converted would be \$3.3 million per year or \$6.6 million per biennium.</p> <p>This cost could be subsidized through tax revenues or other means.</p> <p><u>MicroTier 1 growers with a medical endorsement</u> may not be licensed in a residence; however, they may be licensed in a nonresidential area on their property. They would meet the same reduced security requirements as all other Micro Tier 1 growers.</p>	<p>Incentivizes grower sharing of useable marijuana with medical card holders</p> <p>Provides commercial market for small growers</p> <p>Discussion – See below</p> <p>OLCC continues to regulate commercial Micro Tier 1, Micro Tier 2, Tier 1 and Tier 2 grows - Yes</p> <p>OLCC adds MicroTier 1 grower with a medical endorsement - Yes</p> <p>OLCC sets sharing percentage that MicroTier growers with medical endorsement must meet - Yes</p> <ul style="list-style-type: none"> • 50% share with cardholders, 50% sold in commercial system, years 1, sanction if not met – Generally yes • 75% share with cardholders, 25% sold in commercial system, years 2 and up, sanction if not met – Yes <p>City and county zoning issues: requires further discussion</p> <ol style="list-style-type: none"> 1. Define Micro Tier 1 medical endorsement license as a medical grows so that they can continue to operate as an OLCC licensee, and allow the percentage of nonmedical grow to be shipped out of an opt-out city or county to an OLCC licensee in an allowed area 2. Develop a Modified LUCs “Restricted Medical Only” for OLCC licensees to sell medical marijuana in Opt-out cities and counties

<p>Commercial growers with medical endorsement may sell excess usable marijuana to all other OLCC license types.</p> <p>Usable marijuana shared with cardholders must be tracked in the Cannabis Tracking System; subject to annual limits</p>	<p>3. Do not require LUCs for MicroTier 1 growers</p> <p>OLCC needs staffing to assist small growers with CTS and other questions – Yes</p>
<p>OLCC Licensees Sharing Product with Cardholders</p>	
<p>Action</p>	<p>Rationale</p>
<p>OLCC grower, retailers, processors and wholesalers can share with any cardholder, within limits, and tracked in Metrc</p> <p>Cardholder can take product from OLCC grower or cardholder grow to OLCC processor in order to process the product into extracts. Must be tracked in Metrc, within limits set by rule or statute.</p> <p>All licensees and medical card growers can share tested products with nonprofit medical cannabis resource center regulated by OLCC</p>	<p>Efficient system</p> <p>Product is tracked throughout the system</p> <p>Allows cardholder access to OLCC processors</p> <p>Creates multiple opportunities for sharing of product to cardholders</p> <p>Discussion: Yes</p> <p><i>Need card validation system to prevent fraud - Yes</i></p> <p><i>Shared product should be tested - Yes</i></p>

Timeline	
Action	Rationale
<p>Fund OLCC FTE at the beginning of the biennium to address current needs for processing of license applications and enforcement for existing increased number of licenses</p> <p>Fund OLCC at the beginning of the biennium to begin the integration process including planning, hiring staff, making required changes to Online Licensing System and Cannabis Tracking System</p> <p>OLCC will develop operational plan, including conditional licensing, to smooth the transition.</p>	<p>Adequate funding for staff and reprogramming data systems will enable a smoother integration transition.</p> <p>Discussion: Generally yes, however, OLCC needs to review further</p> <p><u>July 2017 current needs - Yes</u> <i>FTE for applications and enforcement for number of licensees over forecast, staffing for enforcement including CTS analysts</i></p> <p><u>July 2017 integration needs - Yes</u> <i>FTE for licensing and enforcement, call help center, modify CTS – (patient numbers, track sharing), modify NIC, marijuana worker permits</i></p> <p><u>March 2018 - Yes</u> <i>Bump up, Tier One Medical endorsement starts</i></p> <p><u>March 30, 2019 - Yes</u> <i>Cut off date for integration - Medical and Recreational Integration (need staff, reprogramming, and ability to accept applications prior to this date)</i></p> <p><u>June 2019 - Yes</u> <i>Commission Structure and Name Change</i></p>