

# Senate Bill 1057

Sponsored by COMMITTEE ON RULES (at the request of Senators Ginny Burdick, Ted Ferrioli)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Provides Oregon Liquor Control Commission with additional power to enforce state marijuana laws.

Provides that commission licensee may be designated by commission as exclusively medical licensee.

Provides that licensee, under certain conditions, may transport marijuana items to and exhibit marijuana items at trade show, Oregon State Fair or similar event.

Directs Oregon Health Authority to create database for sharing registry identification cardholder information with commission.

Transfers duty to adopt labeling standards from authority to commission.

Adjusts limit on number of immature marijuana plant that registry identification cardholder may own. Provides that total of 10 mature marijuana plants may be kept at one address.

Provides that State Department of Agriculture may possess, test and dispose of marijuana items for horticultural purposes.

Makes technical changes.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to cannabis; creating new provisions; amending ORS 279A.025, 475B.010, 475B.015,  
3 475B.025, 475B.033, 475B.035, 475B.040, 475B.045, 475B.055, 475B.060, 475B.065, 475B.068,  
4 475B.070, 475B.075, 475B.125, 475B.130, 475B.135, 475B.140, 475B.150, 475B.160, 475B.170,  
5 475B.180, 475B.190, 475B.200, 475B.205, 475B.210, 475B.215, 475B.218, 475B.230, 475B.233,  
6 475B.235, 475B.255, 475B.260, 475B.290, 475B.295, 475B.298, 475B.300, 475B.305, 475B.310,  
7 475B.315, 475B.325, 475B.340, 475B.345, 475B.355, 475B.358, 475B.365, 475B.370, 475B.399,  
8 475B.428, 475B.430, 475B.605, 475B.655 and 475B.800 and sections 22, 30 and 33, chapter 24,  
9 Oregon Laws 2016, and sections 2, 3, 4, 5 and 29b, chapter 83, Oregon Laws 2016; and pre-  
10 scribing an effective date.

11 **Be It Enacted by the People of the State of Oregon:**

## GENERAL PROVISIONS

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13  
14  
15 **SECTION 1.** ORS 475B.010 is amended to read:

16 475B.010. ORS 475B.010 to 475B.395 shall be known and may be cited as the [*Control and Reg-*  
17 *ulation of Marijuana Act.*] **Adult and Medical Use of Cannabis Act.**

18 **SECTION 2.** Sections 3 and 4 of this 2017 Act are added to and made a part of ORS  
19 **475B.010 to 475B.395.**

20 **SECTION 3.** A license issued under ORS 475B.010 to 475B.395 serves the purpose of ex-  
21 **empting the person that holds the license from the criminal laws of this state for possession,**  
22 **delivery or manufacture of marijuana items if the person:**

23 (1) **Has possessed, delivered or manufactured marijuana items both for adult use pur-**  
24 **poses and medical use purposes; and**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 (2) Has otherwise complied with the laws of this state relating to marijuana items.

2 **SECTION 4.** Except as otherwise provided by law, the Oregon Liquor Control Commission  
 3 has any power, and may perform any function, necessary for the commission to prevent the  
 4 diversion of marijuana from a source that is legal under state law to a source that is not  
 5 legal under state law.

6  
 7 **REGULATORY SPECIALISTS**

8  
 9 **SECTION 5.** Section 6 of this 2017 Act is added to and made a part of ORS 475B.010 to  
 10 475B.395.

11 **SECTION 6.** (1) In addition to the duties, functions and powers described in ORS 471.775,  
 12 and subject to subsection (2) of this section, a regulatory specialist, as defined in ORS  
 13 471.005, has the authority as provided in ORS 133.005 to 133.400, 133.450, 133.525 to 133.703,  
 14 133.721 to 133.739, 161.235, 161.245, 475B.010 to 475B.395, 475B.550 to 475B.590 and 475B.600 to  
 15 475B.655, and chapter 743, Oregon Laws 1971, to conduct inspections and investigations, make  
 16 seizures, aid in prosecutions of and issue citations to licensees and persons who hold a cer-  
 17 tificate or permit under ORS 475B.010 to 475B.395 for violations of and offenses related to,  
 18 and otherwise enforce, ORS 475B.010 to 475B.395, 475B.550 to 475B.590 and 475B.600 to  
 19 475B.655, any rule adopted under ORS 475B.010 to 475B.395, 475B.550 to 475B.590 and 475B.600  
 20 to 475B.655 and any other law of this state that charges the Oregon Liquor Control Com-  
 21 mission with a duty, function or power related to a marijuana item, including enforcing any  
 22 law or rule related to individuals who use false identification for purposes of purchasing or  
 23 possessing a marijuana item or who engage in illegal activity on or near a premises.

24 (2) A regulatory specialist may not:

25 (a) Be sworn in as a federal law enforcement official and act in that capacity while per-  
 26 forming an activity authorized by this section.

27 (b) Carry a firearm.

28 (c) Conduct inspections and investigations of a primary residence, unless the primary  
 29 residence is the location of a grow canopy of a marijuana producer that holds a license issued  
 30 under ORS 475B.070.

31 (d) For purposes of ensuring compliance with ORS 475B.400 to 475B.525, conduct in-  
 32 spections and investigations of registry identification cardholders or designated primary  
 33 caregivers, the residences of registry identification cardholders or designated primary  
 34 caregivers, or the locations where registry identification cardholders or designated primary  
 35 caregivers produce marijuana.

36  
 37 **FINANCIAL DISCLOSURE**

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 39 **SECTION 7.** Section 8 of this 2017 Act is added to and made a part of ORS 475B.010 to  
 40 475B.395.

41 **SECTION 8.** (1) The Oregon Liquor Control Commission may require a licensee or appli-  
 42 cant for a license under ORS 475B.010 to 475B.395 to submit, in a form and manner pre-  
 43 scribed by the commission, to the commission a sworn statement showing:

44 (a) The name and address of each person that has a financial interest in the business  
 45 operating or to be operated under the license; and

1 (b) The nature and extent of the financial interest of each person that has a financial  
 2 interest in the business operating or to be operated under the license.

3 (2) The commission may refuse to issue, or may suspend, revoke or refuse to renew, a  
 4 license issued under ORS 475B.010 to 475B.395 if the commission determines that a person  
 5 that has a financial interest in the business operating or to be operated under the license  
 6 committed or failed to commit an act that would constitute grounds for the commission to  
 7 refuse to issue, or to suspend, revoke or refuse to renew, the license if the person were the  
 8 licensee or applicant for the license.

9 **SECTION 9.** Section 10 of this 2017 Act is added to and made a part of ORS 475B.550 to  
 10 475B.590.

11 **SECTION 10.** (1) The Oregon Liquor Control Commission may require a licensee or ap-  
 12 plicant for a license under ORS 475B.560 to submit, in a form and manner prescribed by the  
 13 commission, to the commission a sworn statement showing:

14 (a) The name and address of each person that has a financial interest in the business  
 15 operating or to be operated under the license; and

16 (b) The nature and extent of the financial interest of each person that has a financial  
 17 interest in the business operating or to be operated under the license.

18 (2) The commission may refuse to issue, or may suspend, revoke or refuse to renew, a  
 19 license issued under ORS 475B.560 if the commission determines that a person that has a  
 20 financial interest in the business operating or to be operated under the license committed  
 21 or failed to commit an act that would constitute grounds for the commission to refuse to  
 22 issue, or to suspend, revoke or refuse to renew, the license if the person were the licensee  
 23 or applicant for the license.

24  
 25 **LETTER OF REPRIMAND**

26  
 27 **SECTION 11.** Sections 12 and 13 of this 2017 Act are added to and made a part of ORS  
 28 475B.010 to 475B.395.

29 **SECTION 12.** (1) Notwithstanding the lapse, suspension or revocation of a license issued  
 30 under ORS 475B.010 to 475B.395, the Oregon Liquor Control Commission may:

31 (a) Proceed with any investigation of, or any action or disciplinary proceeding against,  
 32 the person who held the license; or

33 (b) Revise or render void an order suspending or revoking the license.

34 (2) In cases involving the proposed denial of a license issued under ORS 475B.010 to  
 35 475B.395, the commission has jurisdiction to proceed with any action or disciplinary pro-  
 36 ceeding against the applicant for licensure if the commission has issued a notice of the intent  
 37 to deny licensure.

38 **SECTION 13.** (1) Notwithstanding the lapse, suspension or revocation of a permit issued  
 39 under ORS 475B.218, the Oregon Liquor Control Commission may:

40 (a) Proceed with any investigation of, or any action or disciplinary proceeding against,  
 41 the person who held the permit; or

42 (b) Revise or render void an order suspending or revoking the permit.

43 (2) In cases involving the proposed denial of a permit issued under ORS 475B.218, the  
 44 commission has jurisdiction to proceed with any action or disciplinary proceeding against the  
 45 applicant for the permit if the commission has issued a notice of the intent to deny the

1 permit.

2 **SECTION 14.** Section 15 of this 2017 Act is added to and made a part of ORS 475B.550 to  
 3 **475B.590.**

4 **SECTION 15.** (1) Notwithstanding the lapse, suspension or revocation of a license issued  
 5 under ORS 475B.560, the Oregon Liquor Control Commission may:

6 (a) Proceed with any investigation of, or any action or disciplinary proceeding against,  
 7 the person who held the license; or

8 (b) Revise or render void an order suspending or revoking the license.

9 (2) In cases involving the proposed denial of a license issued under ORS 475B.560, the  
 10 commission has jurisdiction to proceed with any action or disciplinary proceeding against the  
 11 applicant for licensure if the commission has issued a notice of the intent to deny licensure.  
 12

13 **TRADE SHOWS**

14  
 15 **SECTION 16.** Section 17 of this 2017 Act is added to and made a part of ORS 475B.010 to  
 16 **475B.395.**

17 **SECTION 17.** (1) Notwithstanding ORS 475B.160 or any other provision prohibiting the  
 18 transportation of marijuana items to or from a location for which a license has not been is-  
 19 sued under ORS 475B.010 to 475B.395 or prohibiting the possession of marijuana items at a  
 20 location for which a license has not been issued under ORS 475B.010 to 475B.395, a licensee  
 21 may transport marijuana items to and exhibit marijuana items at a trade show, the Oregon  
 22 State Fair or a similar event if:

23 (a) The marijuana items are tracked using the system developed and maintained under  
 24 ORS 475B.150;

25 (b) All of the marijuana items are returned to a premises for which a license has been  
 26 issued under ORS 475B.010 to 475B.395 immediately after the conclusion of the event; and

27 (c) The licensee complies with any other requirement imposed by the Oregon Liquor  
 28 Control Commission by rule or order for the purpose of ensuring the security of the  
 29 marijuana items, for the purpose of preventing minors from having access to the marijuana  
 30 items or for any other purpose deemed relevant by the commission.

31 (2) The commission shall adopt rules to implement this section.  
 32

33 **PRODUCTION, PROCESSING AND SALE FOR MEDICAL PURPOSES**

34  
 35 **SECTION 18.** Section 2, chapter 83, Oregon Laws 2016, is amended to read:

36 **Sec 2.** [(1) As used in this section, “designated primary caregiver,” “marijuana processing site,”  
 37 “medical marijuana dispensary” and “registry identification cardholder” have the meanings given those  
 38 terms in ORS 475B.410.]

39 [(2)] (1) To produce marijuana for medical purposes, a marijuana producer that holds a license  
 40 **issued** under ORS 475B.070 must register with the Oregon Liquor Control Commission under this  
 41 section.

42 [(3)] (2) The commission shall register a marijuana producer for the purpose of producing  
 43 marijuana for medical purposes if the marijuana producer:

44 (a) Holds a license **issued** under ORS 475B.070;

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

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

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

3 [(4)(a) A marijuana producer registered under this section may produce marijuana for a registry  
4 identification cardholder, and provide usable marijuana to the registry identification cardholder or to  
5 the designated primary caregiver of the registry identification cardholder, if the marijuana producer  
6 enters into an agreement with the registry identification cardholder for whom the marijuana producer  
7 is producing the marijuana. An agreement entered into under this subsection:]

8 [(A) Must be submitted to the commission in a manner prescribed by the commission;]

9 [(B) Except as provided in subparagraph (C) of this paragraph, may not allow the marijuana pro-  
10 ducer to be compensated for producing the marijuana or providing the usable marijuana;]

11 [(C) May require a registry identification cardholder, or a designated primary caregiver on behalf  
12 of a registry identification cardholder, to reimburse a marijuana producer for all costs associated with  
13 producing marijuana for the registry identification cardholder or providing usable marijuana to the  
14 registry identification cardholder or designated primary caregiver;]

15 [(D) May not allow the marijuana producer to produce for the registry identification cardholder  
16 an amount of mature marijuana plants that exceeds the amount that a registry identification cardholder  
17 and a designated primary caregiver may jointly possess under ORS 475B.428;]

18 [(E) May not allow the marijuana producer to provide to the registry identification cardholder an  
19 amount of usable marijuana that exceeds the amount that a registry identification cardholder and a  
20 designated primary caregiver may jointly possess under ORS 475B.430; and]

21 [(F) May allow the marijuana producer to keep a portion of the usable marijuana harvested from  
22 the marijuana produced for the registry identification cardholder for the purposes of:]

23 [(i) Providing usable marijuana to additional registry identification cardholders or designated pri-  
24 mary caregivers; and]

25 [(ii) Transferring or selling usable marijuana to marijuana processing sites or medical marijuana  
26 dispensaries.]

27 [(c) Marijuana produced for a registry identification cardholder, and usable marijuana transferred  
28 or sold to a marijuana processing site or medical marijuana dispensary, pursuant to an agreement  
29 entered into under this subsection must be tracked by the system developed and maintained under ORS  
30 475B.150.]

31 [(d)(A) Upon request by the commission, the Oregon Health Authority shall provide the commission,  
32 notwithstanding any laws relating to the confidentiality of information under ORS 475B.460 and  
33 475B.462, with the registration information of:]

34 [(i) A registry identification cardholder who enters into an agreement under this subsection; or]

35 [(ii) A registry identification cardholder, designated primary caregiver, marijuana processing site  
36 or medical marijuana dispensary that receives usable marijuana pursuant to an agreement entered into  
37 under this subsection.]

38 [(B) Registration information received by the commission under this paragraph that is confidential  
39 and not subject to public disclosure under ORS 475B.460 and 475B.462 remains confidential and not  
40 subject to public disclosure after being provided to the commission.]

41 [(e) Marijuana produced pursuant to an agreement entered into under this subsection is not subject  
42 to rules restricting the size of mature marijuana plant grow canopies adopted by the commission under  
43 ORS 475B.075.]

44 [(5)(a) The commission shall adopt rules necessary to administer this section, including rules:]

45 [(A) For the equitable conversion of a number of mature marijuana plants to a size of mature

1 *marijuana plant grow canopy;]*

2 *[(B) Limiting the amount of marijuana that may be produced under section (4) of this section;]*

3 *[(C) Limiting the amount of usable marijuana that may be provided, transferred or sold under*  
4 *subsection (4)(a)(F) of this section;]*

5 *[(D) Limiting the number of registry identification cardholders for whom a marijuana producer*  
6 *registered under this section may produce marijuana; and]*

7 *[(E) Prohibiting a registry identification cardholder from entering into more than one agreement*  
8 *with a marijuana producer registered under this section.]*

9 **(3) Subject to subsection (4) of this section, a marijuana producer registered under this**  
10 **section may produce mature marijuana plants on a medically designated grow canopy in ad-**  
11 **dition to producing mature marijuana plants on the grow canopy allowed under rules adopted**  
12 **under ORS 475B.075. The commission shall specify the size of medically designated grow**  
13 **canopies by rule, provided that the size of any medically designated grow canopy does not**  
14 **exceed 10 percent of the total size of both the medically designated grow canopy and the grow**  
15 **canopy allowed under rules adopted under ORS 475B.075 at the time that the marijuana**  
16 **producer applies for registration under this section.**

17 **(4) A marijuana producer registered under this section must provide, for no consider-**  
18 **ation, at least 75 percent of the usable marijuana harvested from the marijuana producer's**  
19 **medically designated grow canopy to registry identification cardholders and designated pri-**  
20 **mary caregivers.**

21 **(5) A marijuana producer registered under this section may not, during a single trans-**  
22 **action, provide a registry identification cardholder or the designated primary caregiver of a**  
23 **registry identification cardholder an amount of usable marijuana that exceeds the amount**  
24 **of usable marijuana that a registry identification cardholder and a designated primary**  
25 **caregiver may jointly possess under ORS 475B.430.**

26 **(6)(a) The commission shall adopt rules necessary to administer this section.**

27 **(b) The rules must establish sanctions for failure to meet the requirements of this sec-**  
28 **tion or a rule adopted under this section, including revocation of permission for the**  
29 **marijuana producer's medically designated grow canopy.**

30 *[(b)] (c) The rules must provide that any fee adopted by the commission under subsection*  
31 *[(3)(d)] (2)(d) of this section be in an amount reasonably calculated to not exceed, together with*  
32 *other fees collected under ORS 475B.010 to 475B.395, the cost of administering ORS 475B.010 to*  
33 *475B.395.*

34 **SECTION 19. Section 3, chapter 83, Oregon Laws 2016, is amended to read:**

35 **Sec. 3. (1) To process marijuana for medical purposes, a marijuana processor that holds a li-**  
36 **cence issued under ORS 475B.090 must register with the Oregon Liquor Control Commission under**  
37 **this section.**

38 **(2) The commission shall register a marijuana processor for the purpose of processing marijuana**  
39 **for medical purposes if the marijuana processor:**

40 **(a) Holds a license issued under ORS 475B.090;**

41 **(b) Meets any qualifications adopted by the commission by rule;**

42 **(c) Applies to the commission in a form and manner prescribed by the commission; and**

43 **(d) Pays any fee adopted by the commission by rule.**

44 **(3) A marijuana processor registered under this section may:**

45 **(a) Process marijuana and usable marijuana into medical grade cannabinoid products,**

1 cannabinoid concentrates and cannabinoid extracts[.]; and

2 **(b) For a fee, process marijuana and usable marijuana into cannabinoid products,**  
 3 **cannabinoid concentrates and cannabinoid extracts for a registry identification cardholder**  
 4 **or the designated primary caregiver of a registry identification cardholder, provided that the**  
 5 **cannabinoid products, cannabinoid concentrates and cannabinoid extracts meet the require-**  
 6 **ments of ORS 475B.550 to 475B.590 and 475B.625.**

7 (4)(a) The commission shall adopt rules necessary to administer this section.

8 (b) The rules must provide that any fee adopted by the commission under subsection (2)(d) of  
 9 this section be in an amount reasonably calculated to not exceed, together with other fees collected  
 10 under ORS 475B.010 to 475B.395, the cost of administering ORS 475B.010 to 475B.395.

11 **SECTION 20.** Section 4, chapter 83, Oregon Laws 2016, is amended to read:

12 **Sec. 4.** (1) To sell marijuana **items** at wholesale for medical purposes, a marijuana wholesaler  
 13 that holds a license **issued** under ORS 475B.100 must register with the Oregon Liquor Control  
 14 Commission under this section.

15 (2) The commission shall register a marijuana wholesaler for the purpose of selling marijuana  
 16 **items** at wholesale for medical purposes if the marijuana wholesaler:

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

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

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

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

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

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

27 **SECTION 21.** Section 5, chapter 83, Oregon Laws 2016, is amended to read:

28 **Sec. 5.** [(1) As used in this section, “designated primary caregiver” and “registry identification  
 29 cardholder” have the meanings given those terms in ORS 475B.410.]

30 [(2)] (1) To sell marijuana **items** at retail for medical purposes, a marijuana retailer that holds  
 31 a license **issued** under ORS 475B.110 must register with the Oregon Liquor Control Commission  
 32 under this section.

33 [(3)] (2) The commission shall register a marijuana retailer for the purpose of selling marijuana  
 34 **items** at retail for medical purposes if the marijuana retailer:

35 (a) Holds a license **issued** under ORS 475B.110;

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

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

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

39 [(4)] (3) A marijuana retailer registered under this section:

40 (a) May sell medical grade cannabinoid products, cannabinoid concentrates and cannabinoid  
 41 extracts to registry identification cardholders and designated primary caregivers;

42 (b) May not sell medical grade cannabinoid products, cannabinoid concentrates and cannabinoid  
 43 extracts to individuals other than registry identification cardholders and designated primary  
 44 caregivers;

45 (c) May sell usable marijuana and medical grade cannabinoid products, cannabinoid concen-

1 trates and cannabinoid extracts to registry identification cardholders and designated primary  
2 caregivers at a discounted price; and

3 (d) May provide, **for no consideration**, usable marijuana and medical grade cannabinoid pro-  
4 ducts, cannabinoid concentrates and cannabinoid extracts to a registry identification [*cardholders*  
5 *and designated primary caregivers free of charge*] **cardholder and the designated primary**  
6 **caregiver of the registry identification cardholder.**

7 [(5)] (4)(a) The commission shall adopt rules necessary to administer this section.

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

11 **SECTION 22. Sections 23 to 26 of this 2017 Act are added to and made a part of ORS**  
12 **475B.010 to 475B.395.**

13 **SECTION 23. (1) The Oregon Liquor Control Commission shall designate any marijuana**  
14 **producer that holds a license issued under ORS 475B.070 and that is registered under section**  
15 **2, chapter 83, Oregon Laws 2016, as an exclusively medical licensee if the marijuana producer**  
16 **attests, in a form and manner prescribed by the commission, to:**

17 (a) Producing marijuana only for medical purposes; and

18 (b) Transferring usable marijuana only to marijuana processors registered under section  
19 3, chapter 83, Oregon Laws 2016, marijuana wholesalers registered under section 4, chapter  
20 83, Oregon Laws 2016, marijuana retailers registered under section 5, chapter 83, Oregon  
21 Laws 2016, registry identification cardholders and designated primary caregivers.

22 (2) If the commission makes a designation under this section, the commission shall keep  
23 a record of the designation.

24 **SECTION 24. (1) The Oregon Liquor Control Commission shall designate any marijuana**  
25 **processor that holds a license issued under ORS 475B.090 and that is registered under section**  
26 **3, chapter 83, Oregon Laws 2016, as an exclusively medical licensee if the marijuana**  
27 **processor attests, in a form and manner prescribed by the commission, to:**

28 (a) Processing marijuana only for medical purposes;

29 (b) Receiving usable marijuana only from a marijuana producer registered under section  
30 2, chapter 83, Oregon Laws 2016; and

31 (c) Transferring cannabinoid products, cannabinoid concentrates and cannabinoid ex-  
32 tracts only to marijuana wholesalers registered under section 4, chapter 83, Oregon Laws  
33 2016, marijuana retailers registered under section 5, chapter 83, Oregon Laws 2016, registry  
34 identification cardholders and designated primary caregivers.

35 (2) If the commission makes a designation under this section, the commission shall keep  
36 a record of the designation.

37 **SECTION 25. (1) The Oregon Liquor Control Commission shall designate any marijuana**  
38 **wholesaler that holds a license issued under ORS 475B.100 and that is registered under sec-**  
39 **tion 4, chapter 83, Oregon Laws 2016, as an exclusively medical licensee if the marijuana**  
40 **wholesaler attests, in a form and manner prescribed by the commission, to:**

41 (a) Selling marijuana items only for a medical purposes;

42 (b) Receiving usable marijuana only from marijuana producers registered under section  
43 2, chapter 83, Oregon Laws 2016, and marijuana processors registered under section 3,  
44 chapter 83, Oregon Laws 2016;

45 (c) Receiving cannabinoid products, cannabinoid concentrates and cannabinoid extracts



1 only from a marijuana processor registered under section 3, chapter 83, Oregon Laws 2016;  
2 and

3 (d) Transferring usable marijuana, cannabinoid products, cannabinoid concentrates and  
4 cannabinoid extracts only to marijuana retailers registered under section 5, chapter 83,  
5 Oregon Laws 2016.

6 (2) If the commission makes a designation under this section, the commission shall keep  
7 a record of the designation.

8 **SECTION 26.** (1) The Oregon Liquor Control Commission shall designate any marijuana  
9 retailer that holds a license issued under ORS 475B.110 and that is registered under section  
10 5, chapter 83, Oregon Laws 2016, as an exclusively medical licensee if the marijuana retailer  
11 attests, in a form and manner prescribed by the commission, to:

12 (a) Selling marijuana items only for medical purposes;

13 (b) Receiving usable marijuana only from marijuana producers registered under section  
14 2, chapter 83, Oregon Laws 2016, marijuana processors registered under section 3, chapter  
15 83, Oregon Laws 2016, and marijuana wholesalers registered under section 4, chapter 83,  
16 Oregon Laws 2016;

17 (c) Receiving cannabinoid products, cannabinoid concentrates and cannabinoid extracts  
18 only from a marijuana processor registered under section 3, chapter 83, Oregon Laws 2016,  
19 and marijuana wholesalers registered under section 4, chapter 83, Oregon Laws 2016; and

20 (d) Transferring usable marijuana, cannabinoid products, cannabinoid concentrates and  
21 cannabinoid extracts only to registry identification cardholders and designated primary  
22 caregivers.

23 (2) If the commission makes a designation under this section, the commission shall keep  
24 a record of the designation.

25 **SECTION 27.** ORS 475B.800, as amended by section 31, chapter 24, Oregon Laws 2016, is  
26 amended to read:

27 475B.800. (1) The governing body of a city or county may adopt ordinances to be referred to the  
28 electors of the city or county as described in subsection (2) of this section that prohibit or allow the  
29 establishment of any one or more of the following in the area subject to the jurisdiction of the city  
30 or in the unincorporated area subject to the jurisdiction of the county:

31 (a) Marijuana processing sites registered under ORS 475B.435;

32 (b) Medical marijuana dispensaries registered under ORS 475B.450;

33 (c) Marijuana producers [*licensed*] **that hold a license issued** under ORS 475B.070;

34 (d) Marijuana processors [*licensed*] **that hold a license issued** under ORS 475B.090;

35 (e) Marijuana wholesalers [*licensed*] **that hold a license issued** under ORS 475B.100;

36 (f) Marijuana retailers [*licensed*] **that hold a license issued** under ORS 475B.110; [*or*]

37 (g) **Marijuana producers that hold a license issued under ORS 475B.070 and that the**  
38 **Oregon Liquor Control Commission has designated as an exclusively medical licensee under**  
39 **section 23 of this 2017 Act;**

40 (h) **Marijuana processors that hold a license issued under ORS 475B.090 and that the**  
41 **commission has designated as an exclusively medical licensee under section 24 of this 2017**  
42 **Act;**

43 (i) **Marijuana wholesalers that hold a license issued under ORS 475B.100 and that the**  
44 **commission has designated as an exclusively medical licensee under section 25 of this 2017**  
45 **Act;**

1       **(j) Marijuana retailers that hold a license issued under ORS 475B.110 and that the com-**  
2 **mission has designated as an exclusively medical licensee under section 26 of this 2017 Act;**  
3 **or**

4       [(g)] **(k)** Any combination of the entities described in this subsection.

5       (2) If the governing body of a city or county adopts an ordinance under this section, the gov-  
6 erning body shall submit the measure of the ordinance to the electors of the city or county for ap-  
7 proval at the next statewide general election.

8       (3) If the governing body of a city or county adopts an ordinance under this section, the gov-  
9 erning body must provide the text of the ordinance:

10       (a) To the Oregon Health Authority, in a form and manner prescribed by the authority, if the  
11 ordinance concerns a medical marijuana dispensary registered under ORS 475B.450 or a marijuana  
12 processing site registered under ORS 475B.435; or

13       (b) To the [Oregon Liquor Control] commission, if the ordinance concerns a premises for which  
14 a license has been issued under ORS [475B.070, 475B.090, 475B.100 or 475B.110] **475B.010 to**  
15 **475B.395.**

16       (4)(a) Upon receiving notice of a prohibition under subsection (3) of this section, the authority  
17 shall discontinue registering those entities to which the prohibition applies until the date of the next  
18 statewide general election.

19       (b) Upon receiving notice of a prohibition under subsection (3) of this section, the commission  
20 shall discontinue licensing those premises to which the prohibition applies until the date of the next  
21 statewide general election.

22       (5)(a) If an allowance is approved at the next statewide general election under subsection (2)  
23 of this section, and the allowance concerns an entity described in subsection (1)(a) or (b) of this  
24 section, the authority shall begin registering the entity to which the allowance applies on the first  
25 business day of the January immediately following the date of the statewide general election.

26       (b) If an allowance is approved at the next statewide general election under subsection (2) of  
27 this section, and the allowance concerns an entity described in subsection (1)(c) to [(f)] **(j)** of this  
28 section, the commission shall begin licensing the premises to which the allowance applies on the  
29 first business day of the January immediately following the date of the next statewide general  
30 election.

31       **(6) If the electors of a city or county approve an ordinance prohibiting or allowing an**  
32 **establishment described in subsection (1)(a), (b) or (g) to (j) of this section, the governing**  
33 **body of the city or county may amend the ordinance, without referring the amendment to**  
34 **the electors of the city or county, to prohibit or allow any other establishment described in**  
35 **subsection (1)(a), (b) or (g) to (j) of this section.**

36       [(6)] **(7)** Notwithstanding any other provisions of law, a city or county that adopts an ordinance  
37 under this section that prohibits the establishment of an entity described in subsection (1) of this  
38 section may not impose a tax or fee on the production, processing or sale of marijuana or any  
39 product into which marijuana has been incorporated.

40       [(7)] **(8)** Notwithstanding subsection (1) of this section, a medical marijuana dispensary is not  
41 subject to an ordinance adopted under this section if the medical marijuana dispensary:

42       (a) Is registered under ORS 475B.450 on or before the date on which the governing body adopts  
43 the ordinance; and

44       (b) Has successfully completed a city or county land use application process.

45       [(8)] **(9)** Notwithstanding subsection (1) of this section, a marijuana processing site is not subject

1 to an ordinance adopted under this section if the marijuana processing site:

2 (a) Is registered under ORS 475B.435 on or before the date on which the governing body adopts  
3 the ordinance; and

4 (b) Has successfully completed a city or county land use application process.

5 **SECTION 28.** Section 30, chapter 24, Oregon Laws 2016, is amended to read:

6 **Sec. 30.** (1) The governing body of a city or county may repeal an ordinance that prohibits the  
7 establishment of any one or more of the following in the area subject to the jurisdiction of the city  
8 or in the unincorporated area subject to the jurisdiction of the county:

9 (a) Marijuana processing sites registered under ORS 475B.435;

10 (b) Medical marijuana dispensaries registered under ORS 475B.450;

11 (c) Marijuana producers [*licensed*] **that hold a license issued** under ORS 475B.070;

12 (d) Marijuana processors [*licensed*] **that hold a license issued** under ORS 475B.090;

13 (e) Marijuana wholesalers [*licensed*] **that hold a license issued** under ORS 475B.100;

14 (f) Marijuana retailers [*licensed*] **that hold a license issued** under ORS 475B.110; [*or*]

15 **(g) Marijuana producers that hold a license issued under ORS 475B.070 and that the**  
16 **Oregon Liquor Control Commission has designated as an exclusively medical licensee under**  
17 **section 23 of this 2017 Act;**

18 **(h) Marijuana processors that hold a license issued under ORS 475B.090 and that the**  
19 **commission has designated as an exclusively medical licensee under section 24 of this 2017**  
20 **Act;**

21 **(i) Marijuana wholesalers that hold a license issued under ORS 475B.100 and that the**  
22 **commission has designated as an exclusively medical licensee under section 25 of this 2017**  
23 **Act;**

24 **(j) Marijuana retailers that hold a license issued under ORS 475B.110 and that the com-**  
25 **mission has designated as an exclusively medical licensee under section 26 of this 2017 Act;**  
26 **or**

27 [*g*] **(k)** Any combination of the entities described in this subsection.

28 (2) If the governing body of a city or county repeals an ordinance under this section, the gov-  
29 erning body must provide the text of the ordinance:

30 (a) To the Oregon Health Authority, in a form and manner prescribed by the authority, if the  
31 ordinance concerns a medical marijuana dispensary registered under ORS 475B.450 or a marijuana  
32 processing site registered under ORS 475B.435; or

33 (b) To the [*Oregon Liquor Control*] commission, in a form and manner prescribed by the com-  
34 mission, if the ordinance concerns a premises for which a license has been issued under ORS  
35 [*475B.070, 475B.090, 475B.100 or 475B.110*] **475B.010 to 475B.395.**

36  
37 **DATABASE**

38  
39 **SECTION 29.** Section 30 of this 2017 Act is added to and made a part of ORS 475B.400 to  
40 **475B.525.**

41 **SECTION 30.** (1) The Oregon Health Authority shall establish, maintain and operate an  
42 **electronic system for the keeping of information received by the authority under ORS**  
43 **475B.415 or included on a registry identification card issued under ORS 475B.415.**

44 **(2) The authority may contract with a state agency or private entity to ensure the ef-**  
45 **fective establishment, maintenance or operation of the electronic system.**

1 (3) Except as provided in subsection (4) of this section, information kept in the electronic  
 2 system is confidential and not subject to public disclosure under ORS 192.410 to 192.505. Ex-  
 3 cept as provided in subsection (4) of this section, the authority may not disclose the infor-  
 4 mation for any reason.

5 (4) The authority shall establish the electronic system in a manner that allows the  
 6 Oregon Liquor Control Commission, the Department of Revenue, the Water Resources De-  
 7 partment and the State Department of Agriculture to remotely access the electronic system.  
 8 Information disclosed to the commission and the departments under this subsection remains  
 9 confidential and not subject to public disclosure under ORS 192.410 to 192.505. The commis-  
 10 sion and the departments may not disclose the information for any reason.

11 (5) The electronic system must be immediately accessible by the commission and the  
 12 departments at all times.

### 14 LABELING

15  
 16 **SECTION 31.** (1) On the operative date specified in section 88 of this 2017 Act, the duty  
 17 of the Oregon Health Authority to adopt rules under ORS 475B.605 (1), and the power of the  
 18 authority to impose civil penalties under ORS 475B.655, are imposed upon, transferred to and  
 19 vested in the Oregon Liquor Control Commission.

20 (2) Notwithstanding the transfer under subsection (1) of this section of the duty to adopt  
 21 rules, the rules of the authority that are in effect on the operative date specified in section  
 22 88 of this 2017 Act continue in effect until superseded or repealed by rules of the commission.  
 23 References in the rules of the authority to the authority or an officer or employee of the  
 24 authority are considered to be references to the commission or an officer or employee of the  
 25 commission.

26 (3) Notwithstanding the transfer under subsection (1) of this section of the power to im-  
 27 pose civil penalties, the proceedings of the authority that are pending on the operative date  
 28 specified in section 88 of this 2017 Act are not affected by the transfer, except that the  
 29 commission is substituted for the authority in the proceedings and moneys collected by the  
 30 commission under the proceedings must be deposited in the Marijuana Control and Regu-  
 31 lation Fund established under ORS 475B.240.

32 **SECTION 32.** ORS 475B.605 is amended to read:

33 475B.605. (1) As is necessary to protect the public health and safety, and in consultation with  
 34 the [*Oregon Liquor Control Commission*] **Oregon Health Authority** and the State Department of  
 35 Agriculture, the [*Oregon Health Authority*] **Oregon Liquor Control Commission** shall adopt rules  
 36 establishing standards for the labeling of marijuana items, including but not limited to:

37 (a) Ensuring that usable marijuana, cannabinoid concentrates and extracts, cannabinoid edibles  
 38 and other cannabinoid products have labeling that communicates:

39 (A) Health and safety warnings;

40 (B) Activation time;

41 (C) Results of tests conducted pursuant to ORS 475B.550 to 475B.590;

42 (D) Potency;

43 (E) For cannabinoid products and cannabinoid concentrates and extracts, serving size and the  
 44 number of servings included in a cannabinoid product or cannabinoid concentrate or extract pack-  
 45 age; and

1 (F) Content of the marijuana item; and

2 (b) Labeling that is in accordance with applicable state food labeling requirements for the same  
 3 type of food product or potable liquid when the food product or potable liquid does not contain  
 4 marijuana or cannabinoids.

5 (2) In adopting rules under ORS 475B.400 to 475B.525, the authority shall require all usable  
 6 marijuana, cannabinoid products and cannabinoid concentrates and extracts transferred by a med-  
 7 ical marijuana dispensary registered under ORS 475B.450 to be labeled in accordance with sub-  
 8 section (1) of this section and rules adopted under subsection (1) of this section.

9 (3) In adopting rules under ORS 475B.010 to 475B.395, the commission shall require all usable  
 10 marijuana, cannabinoid products and cannabinoid concentrates and extracts sold or transferred by  
 11 a marijuana retailer that holds a license **issued** under ORS 475B.110 to be labeled in accordance  
 12 with subsection (1) of this section and rules adopted under subsection (1) of this section.

13 (4) In adopting rules under subsection (1) of this section, the [authority:] **commission:**

14 (a) May establish different labeling standards for different varieties of usable marijuana and for  
 15 different types of cannabinoid products and cannabinoid concentrates and extracts;

16 (b) May establish different minimum labeling standards for persons registered under ORS  
 17 475B.400 to 475B.525 and persons licensed under ORS 475B.010 to 475B.395;

18 (c) Shall consider the cost of a potential requirement and how that cost will affect the cost to  
 19 the ultimate consumer of the marijuana item; and

20 (d) May not adopt rules that are more restrictive than is reasonably necessary to protect the  
 21 public health and safety.

22 **SECTION 33.** ORS 475B.655 is amended to read:

23 475B.655. (1) In addition to any other liability or penalty provided by law, the [*Oregon Health*  
 24 *Authority*] **Oregon Liquor Control Commission** may impose for each violation of a provision of  
 25 ORS 475B.600 to 475B.655, or a rule adopted under a provision of ORS 475B.600 to 475B.655, a civil  
 26 penalty that does not exceed \$500 for each day that the violation occurs.

27 (2) The [authority] **commission** shall impose civil penalties under this section in the manner  
 28 provided by ORS 183.745.

29 (3) Moneys collected under this section shall be deposited in the [*Oregon Health Authority Fund*  
 30 *established under ORS 413.101*] **Marijuana Control and Regulation Fund established under ORS**  
 31 **475B.240** and are continuously appropriated to the [authority] **commission** for the purpose of car-  
 32 rying out the duties, functions and powers of the authority under ORS 475B.600 to 475B.655.

33  
 34 **PLANT LIMITS**

35  
 36 **SECTION 34.** Section 35 of this 2017 Act is added to and made a part of ORS 475B.400 to  
 37 475B.525.

38 **SECTION 35.** (1) **The number of mature marijuana plants that a registry identification**  
 39 **cardholder and the designated primary caregiver of the registry identification cardholder**  
 40 **may jointly possess under ORS 475B.428, and the amount of usable marijuana that a registry**  
 41 **identification cardholder and the designated primary caregiver of the registry identification**  
 42 **cardholder may jointly possess under ORS 475B.430, is in addition to, and not in lieu of, the**  
 43 **number of marijuana plants and the amount of usable marijuana that may be possessed at**  
 44 **a household as described in ORS 475B.245.**

45 (2) **The number of immature marijuana plants and amount of medical cannabinoid pro-**

1 **ducts, cannabinoid concentrates and cannabinoid extracts that a registry identification**  
 2 **cardholder or designated primary caregiver of a registry identification cardholder may pos-**  
 3 **sess under ORS 475B.400 to 475B.525 are not limited by ORS 475B.245.**

4 **SECTION 36.** ORS 475B.428, as amended by section 23, chapter 24, Oregon Laws 2016, is  
 5 amended to read:

6 475B.428. *[(1)]* (1)(a) *[Subject to subsection (2) of this section,]* A registry identification cardholder  
 7 and the designated primary caregiver of the registry identification cardholder may jointly possess:

8 (A) Six or fewer mature marijuana plants[.]; and

9 (B) **Twelve or fewer immature marijuana plants.**

10 (b) **Unless an address is of a marijuana grow site registered under ORS 475B.420 or a**  
 11 **premises for which a license has been issued under ORS 475B.070, the address where a reg-**  
 12 **istry identification cardholder or the designated primary caregiver of a registry identification**  
 13 **cardholder produce marijuana may be used to produce not more than:**

14 (A) Six or fewer mature marijuana plants; and

15 (B) **Twelve or fewer immature marijuana plants.**

16 (2)(a) A person may be designated to produce marijuana under ORS 475B.420 by no more than  
 17 four registry identification cardholders.

18 (b) A person who is designated to produce marijuana by a registry identification cardholder may  
 19 produce no more than six mature marijuana plants for a registry identification cardholder who  
 20 designates the person to produce marijuana.

21 (3) If the address of a person responsible for a marijuana grow site under ORS 475B.420 is lo-  
 22 cated within city limits in an area zoned for residential use:

23 (a) Except as provided in paragraph (b) of this subsection, no more than 12 mature marijuana  
 24 plants may be produced at the address; or

25 (b) Subject to subsection (5) of this section, if each person responsible for a marijuana grow site  
 26 located at the address first registered with the Oregon Health Authority under ORS 475B.420 before  
 27 January 1, 2015, no more than the amount of mature marijuana plants located at that address on  
 28 December 31, 2014, in excess of 12 mature marijuana plants, not to exceed 24 mature marijuana  
 29 plants, may be produced at the address.

30 (4) If the address of a person responsible for a marijuana grow site under ORS 475B.420 is lo-  
 31 cated in an area other than an area described in subsection (3) of this section:

32 (a) Except as provided in paragraph (b) of this subsection, no more than 48 mature marijuana  
 33 plants may be produced at the address; or

34 (b) Subject to subsections (5) and (6) of this section, if each person responsible for a marijuana  
 35 grow site located at the address first registered with the authority under ORS 475B.420 before  
 36 January 1, 2015, no more than the amount of mature marijuana plants located at that address on  
 37 December 31, 2014, in excess of 48 mature marijuana plants, not to exceed 96 mature marijuana  
 38 plants, may be produced at the address.

39 (5) If the authority suspends or revokes the registration of a person responsible for a marijuana  
 40 grow site that is located at an address described in subsection (3)(b) or (4)(b) of this section:

41 (a) No more than 12 mature marijuana plants may be subsequently produced at any address  
 42 described in subsection (3) of this section at which the person responsible for that marijuana grow  
 43 site produces marijuana.

44 (b) No more than 48 mature marijuana plants may be subsequently produced at any address  
 45 described in subsection (4) of this section at which the person responsible for that marijuana grow

1 site produces marijuana.

2 (6) If a registry identification cardholder who designated a person to produce marijuana for the  
 3 registry identification cardholder pursuant to ORS 475B.420 terminates the designation, the person  
 4 responsible for the marijuana grow site whose designation has been terminated may not be desig-  
 5 nated to produce marijuana by another registry identification cardholder, except that the person  
 6 may be designated by another registry identification cardholder if no more than 48 mature  
 7 marijuana plants are produced at the address for the marijuana grow site at which the person  
 8 produces marijuana.

9 (7) Subject to the limits described in subsections (2) to (6) of this section, if multiple persons  
 10 responsible for a marijuana grow site under ORS 475B.420 are located at the same address, the  
 11 persons designated to produce marijuana by registry identification cardholders who are located at  
 12 that address may collectively produce mature marijuana plants for any number of registry identifi-  
 13 cation cardholders who designate the persons to produce marijuana.

14 (8) If a law enforcement officer determines that *[a registry identification cardholder, the desig-*  
 15 *ated primary caregiver of a registry identification cardholder, or a person responsible for a marijuana*  
 16 *grow site under ORS 475B.420 who grows marijuana for a registry identification cardholder,*  
 17 *possesses] there is* a number of *[mature]* marijuana plants **at an address** in excess of the quantities  
 18 specified in this section, **or that an address is being used to produce a number of marijuana**  
 19 **plants in excess of the quantities specified in subsection (1)(b) of this section,** the law  
 20 enforcement officer may confiscate only the excess number of *[mature]* marijuana plants.

21 **SECTION 36a.** Section 33, chapter 24, Oregon Laws 2016, is amended to read:

22 **Sec. 33.** (1) As used in this section, “designated primary caregiver,” “immature marijuana  
 23 plant,” “marijuana,” “medical cannabinoid product” and “registry identification cardholder” have  
 24 the meanings given those terms in ORS 475B.410.

25 (2) A city or county may not adopt an ordinance, by referral or otherwise, that prohibits or  
 26 otherwise limits:

27 (a) The privileges described in ORS 475B.245; or

28 (b) The right of a registry identification cardholder and the designated primary caregiver of a  
 29 registry identification cardholder to:

30 (A) Possess the seeds of marijuana, immature marijuana plants or medical cannabinoid products  
 31 as described in ORS 475B.400 to 475B.525;

32 (B) Jointly possess up to six mature marijuana plants **and up to twelve immature marijuana**  
 33 **plants** under ORS 475B.428 (1); or

34 (C) Jointly possess up to 24 ounces of usable marijuana under ORS 475B.430 (1).

35  
 36 **TESTING BY STATE DEPARTMENT OF AGRICULTURE**

37  
 38 **SECTION 36b.** The State Department of Agriculture may possess, test and dispose of  
 39 **marijuana items for horticultural purposes.**

40  
 41 **TECHNICAL AMENDMENTS**

42  
 43 **SECTION 37.** ORS 475B.015, as amended by section 63, chapter 24, Oregon Laws 2016, and  
 44 section 11, chapter 83, Oregon Laws 2016, is amended to read:

45 475B.015. As used in ORS 475B.010 to 475B.395:

1 (1) “Cannabinoid” means any of the chemical compounds that are the active constituents of  
2 marijuana.

3 (2) “Cannabinoid concentrate” means a substance obtained by separating cannabinoids from  
4 marijuana by:

5 (a) A mechanical extraction process;

6 (b) A chemical extraction process using a nonhydrocarbon-based [*or other*] solvent, such as wa-  
7 ter, vegetable glycerin, vegetable oils, animal fats, isopropyl alcohol or ethanol;

8 (c) A chemical extraction process using [*the hydrocarbon-based solvent*] carbon dioxide, provided  
9 that the process does not involve the use of high heat or pressure; or

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

12 (3) “Cannabinoid edible” means food or potable liquid into which a cannabinoid concentrate,  
13 cannabinoid extract or dried marijuana leaves or flowers have been incorporated.

14 (4) “Cannabinoid extract” means a substance obtained by separating cannabinoids from  
15 marijuana by:

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

18 (b) A chemical extraction process using [*the hydrocarbon-based solvent*] carbon dioxide, if the  
19 process uses high heat or pressure; or

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

21 (5)(a) “Cannabinoid product” means a cannabinoid edible and any other product intended for  
22 human consumption or use, including a product intended to be applied to the skin or hair, that  
23 contains cannabinoids or dried marijuana leaves or flowers.

24 (b) “Cannabinoid product” does not include:

25 (A) Usable marijuana by itself;

26 (B) A cannabinoid concentrate by itself;

27 (C) A cannabinoid extract by itself; or

28 (D) Industrial hemp, as defined in ORS 571.300.

29 (6) “Consumer” means a person who purchases, acquires, owns, holds or uses marijuana items  
30 other than for the purpose of resale.

31 **(7) “Designated primary caregiver” has the meaning given that term in ORS 475B.410.**

32 [(7)(a)] **(8)(a)** “Financial consideration” means value that is given or received either directly or  
33 indirectly through sales, barter, trade, fees, charges, dues, contributions or donations.

34 (b) “Financial consideration” does not include marijuana, cannabinoid products or cannabinoid  
35 concentrates that are delivered within the scope of and in compliance with ORS 475B.245.

36 [(8)] **(9)** “Homegrown” means grown by a person 21 years of age or older for noncommercial  
37 purposes.

38 [(9)] **(10)** “Household” means a housing unit and any place in or around a housing unit at which  
39 the occupants of the housing unit are producing, processing, possessing or storing homegrown  
40 marijuana, cannabinoid products, cannabinoid concentrates or cannabinoid extracts.

41 [(10)] **(11)** “Housing unit” means a house, an apartment or a mobile home, or a group of rooms  
42 or a single room that is occupied as separate living quarters, in which the occupants live and eat  
43 separately from any other persons in the building and that has direct access from the outside of the  
44 building or through a common hall.

45 [(11)] **(12)** “Immature marijuana plant” means a marijuana plant that is not flowering.



1 [(12)] (13) "Licensee" means a person [who] **that** holds a license issued under ORS 475B.070,  
2 475B.090, 475B.100 or 475B.110.

3 [(13)] (14) "Licensee representative" means an owner, director, officer, manager, employee, agent  
4 or other representative of a licensee, to the extent that the person acts in a representative capacity.

5 [(14)(a)] (15)(a) "Marijuana" means the plant Cannabis family Cannabaceae, any part of the  
6 plant Cannabis family Cannabaceae and [the seeds of the plant Cannabis family Cannabaceae]  
7 **marijuana seeds.**

8 (b) "Marijuana" does not include industrial hemp, as defined in ORS 571.300.

9 [(15)] (16) "Marijuana flowers" means the flowers of the plant genus Cannabis within the plant  
10 family Cannabaceae.

11 [(16)] (17) "Marijuana items" means marijuana, cannabinoid products, cannabinoid concentrates  
12 and cannabinoid extracts.

13 [(17)] (18) "Marijuana leaves" means the leaves of the plant genus Cannabis within the plant  
14 family Cannabaceae.

15 [(18)] (19) "Marijuana processor" means a person who processes marijuana items in this state.

16 [(19)] (20) "Marijuana producer" means a person who produces marijuana in this state.

17 [(20)] (21) "Marijuana retailer" means a person who sells marijuana items to a consumer in this  
18 state.

19 (22)(a) **"Marijuana seeds" means the seeds of the plant Cannabis family Cannabaceae.**

20 (b) **"Marijuana seeds" does not include the seeds of industrial hemp, as defined in ORS  
21 571.300.**

22 [(21)] (23) "Marijuana wholesaler" means a person who purchases marijuana items in this state  
23 for resale to a person other than a consumer.

24 [(22)] (24) "Mature marijuana plant" means a marijuana plant that is not an immature marijuana  
25 plant.

26 [(23)] (25) "Medical grade cannabinoid product, cannabinoid concentrate or cannabinoid  
27 extract" means a cannabinoid product, cannabinoid concentrate or cannabinoid extract that has a  
28 concentration of tetrahydrocannabinol that is permitted under ORS 475B.625 in a single serving of  
29 the cannabinoid product, cannabinoid concentrate or cannabinoid extract for consumers who hold  
30 a valid registry identification card issued under ORS 475B.415.

31 [(24)] (26) "Medical purpose" means a purpose related to using usable marijuana, cannabinoid  
32 products, cannabinoid concentrates or cannabinoid extracts to mitigate the symptoms or effects of  
33 a debilitating medical condition, as defined in ORS 475B.410.

34 [(25)] (27) "Noncommercial" means not dependent or conditioned upon the provision or receipt  
35 of financial consideration.

36 [(26)(a)] (28)(a) "Premises" [or "licensed premises"] includes the following areas of a location li-  
37 censed under ORS [475B.070, 475B.090, 475B.100 or 475B.110] **475B.010 to 475B.395:**

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

40 (B) All areas outside a building that the commission has specifically licensed for the processing,  
41 wholesale sale or retail sale of marijuana items; and

42 (C) For a location that the commission has specifically licensed for the production of marijuana  
43 outside a building, that portion of the location used to produce marijuana.

44 (b) "Premises" [or "licensed premises"] does not include a primary residence, **unless the pri-  
45 mary residence is the location of a grow canopy of a marijuana producer that holds a license**

1 **issued under ORS 475B.070.**

2 [(27)(a)] **(29)(a)** “Processes” means the processing, compounding or conversion of marijuana into  
3 cannabinoid products, cannabinoid concentrates or cannabinoid extracts.

4 (b) “Processes” does not include packaging or labeling.

5 [(28)(a)] **(30)(a)** “Produces” means the manufacture, planting, cultivation, growing or harvesting  
6 of marijuana.

7 (b) “Produces” does not include:

8 (A) The drying of marijuana by a marijuana processor, if the marijuana processor is not other-  
9 wise producing marijuana; or

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

13 [(29)] **(31)** “Propagate” means to grow immature marijuana plants or to breed or produce *[the*  
14 *seeds of the plant Cannabis family Cannabaceae]* **marijuana seeds.**

15 [(30)] **(32)** “Public place” means a place to which the general public has access and includes,  
16 but is not limited to, hallways, lobbies and other parts of apartment houses and hotels not consti-  
17 tuting rooms or apartments designed for actual residence, and highways, streets, schools, places of  
18 amusement, parks, playgrounds and areas used in connection with public passenger transportation.

19 **(33) “Registry identification cardholder” has the meaning given that term in ORS**  
20 **475B.410.**

21 [(31)(a)] **(34)(a)** “Usable marijuana” means the dried leaves and flowers of marijuana.

22 (b) “Usable marijuana” does not include:

23 **(A) Marijuana seeds;**

24 [(A)] **(B)** The *[seeds,]* stalks and roots of marijuana; or

25 [(B)] **(C)** Waste material that is a by-product of producing or processing marijuana.

26 **SECTION 38.** ORS 475B.025 is amended to read:

27 475B.025. (1) The Oregon Liquor Control Commission has the *[powers and]* **duties, functions and**  
28 **powers** specified in ORS 475B.010 to 475B.395 and the powers necessary or proper to enable the  
29 commission to carry out the commission’s duties, functions and powers under ORS 475B.010 to  
30 475B.395. The jurisdiction, supervision, duties, functions and powers of the commission extend to any  
31 person who *[buys, sells,]* produces, processes, transports *[or delivers any marijuana items within],*  
32 **delivers, sells or purchases a marijuana item in** this state. The commission may sue and be sued.

33 (2) The duties, functions and powers of the commission **specified** in ORS 475B.010 to 475B.395  
34 include the following:

35 (a) To regulate the *[purchase, sale,]* production, processing, transportation *[and],* delivery, **sale**  
36 **and purchase** of marijuana items in accordance with the provisions of ORS 475B.010 to 475B.395.

37 (b) To *[grant, refuse, suspend or cancel]* **issue, renew, suspend, revoke or refuse to issue or**  
38 **renew** licenses for the *[sale, processing or]* production, **processing or sale** of marijuana items, or  
39 other licenses *[in regard to]* **related to the consumption of** marijuana items, and to permit, in the  
40 commission’s discretion, the transfer of a license between persons.

41 *[(c) To investigate and aid in the prosecution of every violation of the statutory laws of this state*  
42 *relating to marijuana items and to cooperate in the prosecution of offenders before any state court of*  
43 *competent jurisdiction.]*

44 *[(d)]* **(c)** To adopt, amend or repeal rules as necessary to carry out the intent and provisions of  
45 ORS 475B.010 to 475B.395, including rules that the commission considers necessary to protect the

1 public health and safety.

2 [(e)] (d) To exercise all powers incidental, convenient or necessary to enable the commission to  
3 administer or carry out the provisions of ORS 475B.010 to 475B.395 or any other law of this state  
4 that charges the commission with a duty, function or power related to marijuana. Powers described  
5 in this paragraph include, but are not limited to:

6 (A) Issuing subpoenas;

7 (B) Compelling the attendance of witnesses;

8 (C) Administering oaths;

9 (D) Certifying official acts;

10 (E) Taking depositions as provided by law;

11 (F) Compelling the production of books, payrolls, accounts, papers, records, documents and tes-  
12 timony; and

13 (G) Establishing fees in addition to the application, licensing and renewal fees described in ORS  
14 475B.070, 475B.090, 475B.100 and 475B.110, provided that any fee established by the commission is  
15 reasonably calculated not to exceed the cost of the activity for which the fee is charged.

16 [(f)] (e) To adopt rules regulating and prohibiting [*marijuana producers, marijuana processors,*  
17 *marijuana wholesalers and marijuana retailers from*] advertising marijuana items in a manner:

18 (A) That is appealing to minors;

19 (B) That promotes excessive use;

20 (C) That promotes illegal activity; or

21 (D) That otherwise presents a significant risk to public health and safety.

22 [(g)] (f) To regulate the use of marijuana items for [*scientific, pharmaceutical, manufacturing,*  
23 *mechanical, industrial and*] other purposes **as deemed necessary or appropriate by the commis-**  
24 **sion.**

25 (3) Fees collected pursuant to subsection [(2)(e)(G)] **(2)(d)(G)** of this section shall be deposited  
26 in the Marijuana Control and Regulation Fund established under ORS 475B.240.

27 **SECTION 39.** ORS 475B.033 is amended to read:

28 475B.033. The Oregon Liquor Control Commission may, by **rule or** order, provide for the manner  
29 and conditions under which:

30 (1) Marijuana items left by a deceased, insolvent or bankrupt person or licensee, or subject to  
31 a security interest, may be foreclosed, sold under execution or otherwise disposed.

32 (2) The business of a deceased, insolvent or bankrupt licensee may be operated for a reasonable  
33 period following the death, insolvency or bankruptcy.

34 (3) A secured party, as defined in ORS 79.0102, may continue to operate a [*business*] **premises**  
35 for which a license has been issued under ORS [*475B.070, 475B.090, 475B.100 or 475B.110*] **475B.010**  
36 **to 475B.395** for a reasonable period after default on the indebtedness by the debtor.

37 **SECTION 40.** ORS 475B.035 is amended to read:

38 475B.035. The Oregon Liquor Control Commission may limit the quantity of marijuana items  
39 purchased at any one time by a consumer [*so as effectually to*] **if the commission determines that**  
40 **the limitation is necessary to** prevent the resale of marijuana items.

41 **SECTION 41.** ORS 475B.040 is amended to read:

42 475B.040. (1) An applicant for a license or renewal of a license **issued** under ORS 475B.010 to  
43 475B.395 shall apply to the Oregon Liquor Control Commission in the form required by the com-  
44 mission **by rule**, showing the name and address of the applicant, location of the [*place of business*]  
45 **premises** that is to be operated under the license and other pertinent information required by the

1 commission. The commission may not [*grant*] **issue** or renew a license until the applicant has com-  
 2 plied with the provisions of ORS 475B.010 to 475B.395 and [*the rules of the commission*] **rules**  
 3 **adopted under ORS 475B.010 to 475B.395.**

4 (2) The commission may reject any application that is not submitted in the form required **by the**  
 5 **commission** by rule. The commission shall give applicants an opportunity to be heard if an appli-  
 6 cation is rejected. A hearing under this subsection is not subject to the requirements for contested  
 7 case proceedings under ORS chapter 183.

8 (3) Except as provided in subsection (2) of this section, a revocation of, or a refusal to issue or  
 9 renew, a license **issued** under ORS 475B.010 to 475B.395 is subject to the requirements for contested  
 10 case proceedings under ORS chapter 183.

11 **SECTION 42.** ORS 475B.045 is amended to read:

12 475B.045. (1) The Oregon Liquor Control Commission may not license an applicant under the  
 13 provisions of ORS 475B.010 to 475B.395 if the applicant is under 21 years of age.

14 (2) The commission may refuse to license an applicant under the provisions of ORS 475B.010 to  
 15 475B.395 if the commission [*has reasonable ground to believe*] **makes a finding** that the applicant:

16 (a) Is in the habit of using alcoholic beverages, habit-forming drugs, marijuana or controlled  
 17 substances to excess.

18 (b) Has made false statements to the commission.

19 (c) Is incompetent or physically unable to carry on the management of the establishment pro-  
 20 posed to be licensed.

21 (d) Has been convicted of violating a [*general or local law of this state or another state, or of*  
 22 *violating a federal law,*] **federal law, state law or local ordinance** if the conviction is substantially  
 23 related to the fitness and ability of the applicant to lawfully carry out activities under the license.

24 (e) Is not of good repute and moral character.

25 (f) Does not have a good record of compliance with ORS 475B.010 to 475B.395 or any rule [*of*  
 26 *the commission*] adopted under ORS 475B.010 to 475B.395.

27 (g) Is not the legitimate owner of the [*business*] **premises** proposed to be licensed, or **has not**  
 28 **disclosed that** other persons have ownership interests in the [*business that have not been*  
 29 *disclosed.*] **premises proposed to be licensed.**

30 (h) [*Is not possessed of or*] Has not demonstrated financial responsibility sufficient to adequately  
 31 meet the requirements of the [*business*] **premises** proposed to be licensed.

32 (i) Is unable to understand the laws of this state relating to marijuana **items** or the rules of the  
 33 commission relating to marijuana **items**.

34 (3) Notwithstanding subsection (2)(d) of this section, in determining whether the commission may  
 35 refuse to license an applicant, the commission may not consider the prior conviction of the applicant  
 36 or any owner, director, officer, manager, employee, agent or other representative of the applicant  
 37 for:

38 (a) The manufacture of marijuana, if:

39 (A) The date of the conviction is two or more years before the date of the application; and

40 (B) The person has not been convicted more than once for the manufacture or delivery of  
 41 marijuana;

42 (b) The delivery of marijuana to a person 21 years of age or older, if:

43 (A) The date of the conviction is two or more years before the date of the application; and

44 (B) The person has not been convicted more than once for the manufacture or delivery of  
 45 marijuana; or

(c) The possession of marijuana.

**SECTION 43.** ORS 475B.055 is amended to read:

475B.055. A license *[granted]* **issued** under ORS 475B.010 to 475B.395:

(1) Is a *[purely]* personal privilege.

*[(2) Is valid for the period stated in the license.]*

*[(3)]* **(2)** Is renewable in the manner provided in ORS 475B.040, except for a cause that would be grounds for refusal to issue the license under ORS 475B.045.

*[(4)]* **(3)** Is revocable or suspendible as provided in ORS 475B.210.

*[(5)]* **(4)** Is transferable from the premises for which the license was originally issued to another premises subject to the provisions of ORS 475B.010 to 475B.395, applicable rules *[of the Oregon Liquor Control Commission]* **adopted under ORS 475B.010 to 475B.395** and applicable local ordinances.

*[(6)]* **(5)** **If the licensee was issued to an individual**, expires upon the death of the licensee, except as provided in ORS 475B.033.

*[(7)]* **(6)** Does not constitute property.

*[(8)]* **(7)** Is not alienable.

*[(9)]* **(8)** Is not subject to attachment or execution.

*[(10)]* **(9)** Does not descend by the laws of testate or intestate devolution.

**SECTION 44.** ORS 475B.060 is amended to read:

475B.060. (1) The Oregon Liquor Control Commission shall approve or deny an application to *[produce, process and sell marijuana under ORS 475B.070, 475B.090, 475B.100 and 475B.110]* **be licensed under ORS 475B.010 to 475B.395**. Upon receiving an application **under ORS 475B.040**, the commission may not unreasonably delay processing, approving or denying the application or, if the application is approved, issuing the license.

(2) The licenses described in ORS *[475B.070, 475B.090, 475B.100 and 475B.110]* **475B.010 to 475B.395** must be issued by the commission, subject to the provisions of ORS 475B.010 to 475B.395 and *[the]* rules adopted under ORS 475B.010 to 475B.395.

(3) The commission may not license a premises that does not have defined boundaries. A *[licensed]* premises does not need to be enclosed by a wall, fence or other structure, but the commission may require *[that]* a *[licensed]* premises **to** be enclosed as a condition of issuing or renewing a license. The commission may not license **a** mobile premises.

**SECTION 45.** ORS 475B.065 is amended to read:

475B.065. Licensees and licensee representatives may produce, deliver and possess marijuana items subject to the provisions of ORS 475B.010 to 475B.395 **and rules adopted under ORS 475B.010 to 475B.395**. The production, delivery *[and]* **or** possession of marijuana items by a licensee or a licensee representative in compliance with ORS 475B.010 to 475B.395 **and rules adopted under ORS 475B.010 to 475B.395** does not constitute a criminal or civil offense under the laws of this state.

**SECTION 46.** ORS 475B.068 is amended to read:

475B.068. *[The same person may hold one or more production licenses, one or more processor licenses, one or more wholesale licenses and one or more retail licenses.]* **A person may hold:**

**(1) Multiple licenses to conduct at different premises the same activity for which a license is required under ORS 475B.010 to 475B.395; and**

**(2) Multiple types of licenses to conduct at the same or different premises different activities for which a license is required under ORS 475B.010 to 475B.395.**

1       **SECTION 47.** ORS 475B.070, as amended by section 1, chapter 24, Oregon Laws 2016, and sec-  
 2 tion 7, chapter 83, Oregon Laws 2016, is amended to read:

3       475B.070. (1) The production of marijuana is subject to regulation by the Oregon Liquor Control  
 4 Commission.

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

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

9       (b) Must provide proof that the applicant is 21 years of age or older; and

10       (c) Must meet the requirements of any rule adopted by the commission under subsection (3) of  
 11 this section.

12       (3) The commission shall adopt rules that:

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

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

15       (c) Require marijuana produced by marijuana producers to be tested in accordance with ORS  
 16 475B.555;

17       (d) Assist the viability of marijuana producers that are independently owned and operated and  
 18 that are limited in size and revenue with respect to other marijuana producers, by minimizing bar-  
 19 riers to entry into the regulated system and by expanding, to the extent practicable, transportation  
 20 options that will support their access to the retail market;

21       (e) Allow a marijuana producer registered under section 2, chapter 83, Oregon Laws 2016, to  
 22 produce marijuana for medical purposes in the same manner that rules adopted under ORS 475B.010  
 23 to 475B.395 allow a marijuana producer to produce marijuana for nonmedical purposes, excepting  
 24 those circumstances where differentiating between the production of marijuana for medical purposes  
 25 and the production of marijuana for nonmedical purposes is necessary to protect the public health  
 26 and safety;

27       (f) Require marijuana producers to submit, at the time of applying for or renewing a license  
 28 under ORS 475B.040, a report describing the applicant's or licensee's electrical or water usage; and

29       (g)(A) Require a marijuana producer to meet any public health and safety standards and industry  
 30 best practices established by the commission by rule related to:

31       (i) The production of marijuana; or

32       (ii) The propagation of immature marijuana plants and [*the seeds of the plant Cannabis family*  
 33 *Cannabaceae*] **marijuana seeds**.

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

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

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

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

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

43       (a) May not exceed, together with other fees collected under ORS 475B.010 to 475B.395, the cost  
 44 of administering ORS 475B.010 to 475B.395;

45       (b) Shall be in the form of a schedule that imposes a greater fee for premises with more square

1 footage or on which more mature marijuana plants are grown; and

2 (c) Shall be deposited in the Marijuana Control and Regulation Fund established under ORS  
3 475B.240.

4 **SECTION 48.** ORS 475B.075, as amended by section 10, chapter 24, Oregon Laws 2016, is  
5 amended to read:

6 475B.075. (1) Subject to subsection (2) of this section, the Oregon Liquor Control Commission  
7 shall adopt rules restricting the size of mature marijuana plant grow canopies at premises for which  
8 a license has been issued under ORS 475B.070. In adopting rules under this subsection, the com-  
9 mission shall:

10 (a) Limit the size of mature marijuana plant grow canopies, for premises where marijuana is  
11 grown outdoors and for premises where marijuana is grown indoors, in a manner calculated to result  
12 in premises that produce the same amount of harvested marijuana leaves and harvested marijuana  
13 flowers regardless of whether the marijuana is grown outdoors or indoors.

14 (b) Adopt a tiered system under which the permitted size of a marijuana producer's mature  
15 marijuana plant grow canopy increases at the time of licensure renewal under ORS 475B.070, except  
16 that the permitted size of a marijuana producer's mature marijuana plant grow canopy may not in-  
17 crease following any year during which the commission disciplined the marijuana producer for vio-  
18 lating a provision of ORS 475B.010 to 475B.395 or a rule adopted under [*a provision of*] ORS 475B.010  
19 to 475B.395.

20 (c) Take into consideration the market demand for marijuana items in this state, the number of  
21 [*persons*] **marijuana producers** applying for a license under ORS 475B.070, [*and to whom a license*  
22 *has been issued*] **the number of marijuana producers that hold a license issued** under ORS  
23 475B.070[,] and whether the availability of marijuana items in this state is commensurate with the  
24 market demand.

25 (2) This section:

26 (a) Applies only to that portion of a premises for which a license has been issued under ORS  
27 475B.070 that is used to produce mature marijuana plants; and

28 (b) Does not apply to a premises for which a license has been issued under ORS 475B.070 if the  
29 premises is used only to propagate immature marijuana plants.

30 **SECTION 49.** ORS 475B.125 is amended to read:

31 475B.125. The Oregon Liquor Control Commission may adopt rules establishing the circum-  
32 stances under which the commission may require a marijuana retailer that holds a license issued  
33 under ORS 475B.110 to use an age verification scanner or any other equipment used to verify a  
34 person's age for the purpose of ensuring that the marijuana retailer does not sell marijuana items  
35 to a person under 21 years of age. [*The marijuana retailer may not retain any*] Information obtained  
36 under this section **may not be retained** after verifying a person's age[. *The marijuana retailer may*  
37 *not use any information obtained under this section*] **and may not be used** for any purpose other than  
38 verifying a person's age.

39 **SECTION 50.** ORS 475B.130 is amended to read:

40 475B.130. (1) The Oregon Liquor Control Commission [*has the right after 72 hours' notice to the*  
41 *owner or the agent of the owner to*] **may, after 72 hours' notice**, make an examination of the books  
42 [*and*] **of a licensee for the purpose of determining compliance with ORS 475B.010 to 475B.395**  
43 **and rules adopted under ORS 475B.010 to 475B.395.**

44 (2) **The commission** may at any time make an examination of [*the*] a premises [*of any person*  
45 *licensed*] **for which a license has been issued** under ORS 475B.010 to 475B.395 for the purpose of

1 determining compliance with ORS 475B.010 to 475B.395 and *[the rules of the commission]* **rules**  
 2 **adopted under ORS 475B.010 to 475B.395.**

3 [(2)] (3) The commission may not require the books of a licensee to be maintained on *[the]* a  
 4 premises of the licensee.

5 [(3)] (4) This section does not authorize the commission to make an examination of *[the]* a  
 6 premises of a person registered under ORS 475B.400 to 475B.525.

7 **SECTION 51.** ORS 475B.135 is amended to read:

8 475B.135. As is necessary to protect the public health and safety, the Oregon Liquor Control  
 9 Commission may require a premises licensed under ORS *[475B.070, 475B.090, 475B.100 or 475B.110]*  
 10 **475B.010 to 475B.395** to be segregated into separate areas:

11 (1) For conducting the activities permitted under each license, if the licensee holds more than  
 12 one license issued under ORS *[475B.070, 475B.090, 475B.100 or 475B.110]* **475B.010 to 475B.395 for**  
 13 **the same premises;** or

14 (2) For conducting activities related to processing marijuana into different types of cannabinoid  
 15 products, cannabinoid concentrates or cannabinoid extracts, if the licensee is a marijuana processor  
 16 **that holds a license issued under ORS 475B.090 and** that processes marijuana into any combina-  
 17 tion of different types of products, concentrates and extracts.

18 **SECTION 52.** ORS 475B.140 is amended to read:

19 475B.140. As is necessary to protect the public health and safety, the Oregon Liquor Control  
 20 Commission may require a *[person that holds a license under ORS 475B.070, 475B.090, 475B.100 or*  
 21 *475B.110]* **licensee** to maintain general liability insurance in an amount that the commission deter-  
 22 mines is reasonably affordable and available for the purpose of protecting the *[person]* **licensee**  
 23 against damages resulting from a cause of action related to activities undertaken pursuant to the  
 24 license **held by the licensee.**

25 **SECTION 53.** ORS 475B.150, as amended by section 64, chapter 24, Oregon Laws 2016, is  
 26 amended to read:

27 475B.150. (1) The Oregon Liquor Control Commission shall develop and maintain a system for  
 28 tracking the transfer of marijuana items between premises **for which licenses have been issued**  
 29 **under ORS 475B.010 to 475B.395.**

30 (2) The purposes of the system developed and maintained under this section include, but are not  
 31 limited to:

32 (a) Preventing the diversion of marijuana items to criminal enterprises, gangs, cartels and other  
 33 states;

34 (b) Preventing persons from substituting or tampering with marijuana items;

35 (c) Ensuring an accurate accounting of the production, processing and sale of marijuana items;

36 (d) Ensuring that laboratory testing results are accurately reported; and

37 (e) Ensuring compliance with *[the provisions of]* ORS 475B.010 to 475B.395, rules adopted under  
 38 *[the provisions of]* ORS 475B.010 to 475B.395 and any other law of this state that charges the com-  
 39 mission with a duty, function or power related to marijuana.

40 (3) The system developed and maintained under this section must be capable of tracking, at a  
 41 minimum:

42 (a) The propagation of immature marijuana plants and the production of marijuana by a  
 43 marijuana producer;

44 (b) The processing of marijuana by a marijuana processor;

45 (c) The receiving, storing and delivering of marijuana items by a marijuana wholesaler;



1 (d) The sale of marijuana items by a marijuana retailer to a consumer;

2 (e) The **sale and** purchase [*and sale*] of marijuana items between licensees, as permitted by ORS  
3 475B.010 to 475B.395;

4 (f) The transfer of marijuana items between premises **for which licenses have been issued**  
5 **under ORS 475B.010 to 475B.395**; and

6 (g) Any other information that the commission determines is reasonably necessary to accomplish  
7 the duties, functions and powers of the commission under ORS 475B.010 to 475B.395.

8 **SECTION 54.** ORS 475B.160, as amended by section 23, chapter 23, Oregon Laws 2016, section  
9 65, chapter 24, Oregon Laws 2016, and section 12, chapter 83, Oregon Laws 2016, is amended to  
10 read:

11 475B.160. (1) Except as provided in section 22, chapter 23, Oregon Laws 2016, and section 2,  
12 chapter 83, Oregon Laws 2016, a marijuana producer **that holds a license issued under ORS**  
13 **475B.070**, marijuana processor **that holds a license issued under ORS 475B.090** or marijuana  
14 wholesaler **that holds a license issued under ORS 475B.100** may deliver marijuana items only to  
15 or on a premises **for which a license has been issued under ORS 475B.070, 475B.090, 475B.100**  
16 **or 475B.110, or to a registry identification cardholder or designated primary caregiver as al-**  
17 **lowed under ORS 475B.010 to 475B.395.**

18 (2) [A *premises*] **A licensee to whom marijuana items may be delivered under subsection**  
19 **(1) of this section** may receive marijuana items only from:

20 [(a) *A marijuana producer, marijuana processor or marijuana wholesaler for whom a premises has*  
21 *been licensed by the Oregon Liquor Control Commission;*]

22 (a) **A marijuana producer that holds a license issued under ORS 475B.070, marijuana**  
23 **processor that holds a license issued under ORS 475B.090, marijuana wholesaler that holds**  
24 **a license issued under ORS 475B.100 or marijuana retailer that holds a license issued under**  
25 **ORS 475B.110;**

26 (b) A researcher of cannabis [*certified*] **that holds a certificate issued** under ORS 475B.235  
27 [*who*] **and that** transfers limited amounts of marijuana, usable marijuana, cannabinoid products,  
28 cannabinoid concentrates and cannabinoid extracts in accordance with procedures adopted under  
29 ORS 475B.235 (3)(d) and (e); or

30 (c) A marijuana grow site registered under ORS 475B.420, marijuana processing site registered  
31 under ORS 475B.435, or a medical marijuana dispensary registered under ORS 475B.450, acting in  
32 accordance with procedures adopted by the **Oregon Liquor Control** Commission under section 25,  
33 chapter 24, Oregon Laws 2016.

34 (3) The sale of marijuana items by a marijuana retailer that holds a license issued under ORS  
35 475B.110 must be restricted to the premises [*described in the license*] **for which the license has**  
36 **been issued**, but deliveries may be made by [*the*] a marijuana retailer to consumers pursuant to a  
37 bona fide order received at the premises prior to delivery.

38 (4) **The commission may by order waive the requirements of subsections (1) and (2) of**  
39 **this section to ensure compliance with ORS 475B.010 to 475B.395 or a rule adopted under ORS**  
40 **475B.010 to 475B.395. An order issued under this subsection does not constitute a waiver of**  
41 **any other requirement of ORS 475B.010 to 475B.395 or any other rule adopted under ORS**  
42 **475B.010 to 475B.395.**

43 **SECTION 55.** ORS 475B.170 is amended to read:

44 475B.170. (1) Subject to subsection (2) of this section, a licensee or licensee representative, be-  
45 fore selling or providing a marijuana item to another person, must require the person to produce

1 one of the following pieces of identification:

2 (a) The person's passport.

3 (b) The person's driver license, **issued by the State of Oregon or another state** [*whether is-*  
4 *sued in this state or by any other state, as long as the license has a picture of the person*].

5 (c) An identification card issued under ORS 807.400.

6 (d) A United States military identification card.

7 (e) Any other identification card issued by a state that bears a picture of the person, the name  
8 of the person, the person's date of birth and a physical description of the person.

9 (2) The Oregon Liquor Control Commission may adopt rules exempting a licensee or licensee  
10 representative from this section.

11 **SECTION 56.** ORS 475B.180 is amended to read:

12 475B.180. (1) A licensee may not employ [*any*] a person under 21 years of age [*in any part of any*  
13 *licensed premises*] **at a premises for which a license has been issued under ORS 475B.010 to**  
14 **475B.395.**

15 (2) During [*any*] **an** inspection of a [*licensed*] premises **for which a license has been issued**  
16 **under ORS 475B.010 to 475B.395**, the Oregon Liquor Control Commission may require proof that  
17 a person performing work at the premises is 21 years of age or older. If the person does not provide  
18 the commission with acceptable proof of age upon request, the commission may require the person  
19 to immediately cease any activity and leave the premises until the commission receives acceptable  
20 proof of age. This subsection does not apply to a person temporarily at the premises to make a  
21 service, maintenance or repair call or for other purposes independent of the premises operations.

22 (3) If a person performing work has not provided proof of age requested by the commission under  
23 subsection (2) of this section, the commission may request that the licensee provide proof that the  
24 person is 21 years of age or older. Failure of the licensee to respond to a request made under this  
25 subsection by providing acceptable proof of age for a person is prima facie evidence that the  
26 licensee has allowed the person to perform work at the [*licensed*] premises **for which a license has**  
27 **been issued under ORS 475B.010 to 475B.395** in violation of the minimum age requirement.

28 **SECTION 57.** ORS 475B.315 is amended to read:

29 475B.315. (1) Except where other punishment is specifically provided for in ORS 475B.010 to  
30 475B.395, violation of any provision of ORS 475B.010 to 475B.395 is a Class A misdemeanor.

31 (2) Subject to ORS 153.022, violation of a rule adopted under ORS 475B.025 [(2)(d)] **(2)(c)** is a  
32 Class C violation.

33 **SECTION 58.** ORS 475B.190 is amended to read:

34 475B.190. (1) A licensee may not use or allow the use of a mark or label on the container of a  
35 marijuana item that is kept for sale if the [*container*] **mark or label** does not precisely and clearly  
36 indicate the nature of the container's contents or **if the mark or label** in any way might deceive  
37 a customer [*as to*] **about** the nature, composition, quantity, age or quality of the [*marijuana item.*]  
38 **container's contents.**

39 (2) The Oregon Liquor Control Commission may prohibit a licensee from selling any brand of  
40 marijuana item that in the commission's judgment is deceptively **branded or** labeled [*or branded as*  
41 *to content*] or contains injurious or adulterated ingredients.

42 **SECTION 59.** ORS 475B.200 is amended to read:

43 475B.200. (1) Except for a [*licensed marijuana producer and the producer's licensee*  
44 *representative*] **marijuana producer that holds a license issued under ORS 475B.070 or licensee**  
45 **representative of a marijuana producer that holds a license issued under ORS 475B.070, a**

1 licensee **or licensee representative** may not possess a mature marijuana plant.

2 (2) A licensee **or licensee representative** may not sell a mature marijuana plant.

3 **SECTION 60.** ORS 475B.205 is amended to read:

4 475B.205. (1) A person may not make false representations or statements to the Oregon Liquor  
5 Control Commission in order to induce or prevent action by the commission.

6 (2) A licensee [*of the commission*] may not maintain a noisy, lewd, disorderly or insanitary es-  
7 tablishment or supply impure or otherwise deleterious marijuana items.

8 (3) A licensee [*of the commission*] may not misrepresent to a customer or to the public any  
9 marijuana items.

10 **SECTION 61.** ORS 475B.210 is amended to read:

11 475B.210. The Oregon Liquor Control Commission may revoke or suspend a license issued under  
12 ORS 475B.010 to 475B.395 if the commission finds or has reasonable ground to believe any of the  
13 following to be true:

14 (1) That the licensee:

15 (a) Has violated a provision of ORS 475B.010 to 475B.395 or a rule [*of the commission*] adopted  
16 under ORS 475B.010 to 475B.395.

17 (b) Has made any false representation or statement to the commission in order to induce or  
18 prevent action by the commission.

19 (c) Is insolvent or incompetent or physically unable to carry on the management of the estab-  
20 lishment of the licensee.

21 (d) Is in the habit of using alcoholic liquor, habit-forming drugs, marijuana or controlled sub-  
22 stances to excess.

23 (e) Has misrepresented to a customer or the public any marijuana items sold by the licensee.

24 (f) Since the [*granting*] **issuance** of the license, has been convicted of a felony, of violating any  
25 of the marijuana laws of this state, general or local, or of any misdemeanor or violation of any  
26 municipal ordinance committed on the [*licensed*] premises **for which the license has been issued**.

27 (2) That there is any other reason that, in the opinion of the commission, based on public con-  
28 venience or necessity, warrants [*canceling*] **revoking** or suspending the license.

29 **SECTION 62.** ORS 475B.215, as amended by section 16, chapter 23, Oregon Laws 2016, is  
30 amended to read:

31 475B.215. (1) An individual who performs work for or on behalf of a [*person who holds a license*  
32 *under ORS 475B.070, 475B.090, 475B.100 or 475B.110*] **licensee** must have a valid permit issued by  
33 the Oregon Liquor Control Commission under ORS 475B.218 if the individual participates in:

34 (a) The possession, production, propagation, processing, securing or selling of marijuana items  
35 at the premises for which the license has been issued;

36 (b) The recording of the possession, production, propagation, processing, securing or selling of  
37 marijuana items at the premises for which the license has been issued; or

38 (c) The verification of any document described in ORS 475B.170.

39 (2) A [*person who holds a license under ORS 475B.070, 475B.090, 475B.100 or 475B.110*] **licensee**  
40 must verify that an individual has a valid permit issued under ORS 475B.218 before allowing the  
41 individual to perform any work described in subsection (1) of this section at the premises for which  
42 the license has been issued.

43 **SECTION 63.** ORS 475B.218, as amended by section 13, chapter 24, Oregon Laws 2016, is  
44 amended to read:

45 475B.218. (1) The Oregon Liquor Control Commission shall issue permits to qualified applicants

1 to perform work described in ORS 475B.215. The commission shall adopt rules establishing:

- 2 (a) The qualifications for performing work described in ORS 475B.215;
- 3 (b) The term of a permit issued under this section;
- 4 (c) Procedures for applying for and renewing a permit issued under this section; and
- 5 (d) Reasonable application, issuance and renewal fees for a permit issued under this section.

6 (2)(a) The commission may require an individual applying for a permit under this section to  
7 successfully complete a course, made available by or through the commission, through which the  
8 individual receives training on:

- 9 (A) Checking identification;
- 10 (B) Detecting intoxication;
- 11 (C) Handling marijuana items;
- 12 **(D) Best practices for producing and propagating marijuana;**
- 13 **(E) Best practices for processing marijuana;**

14 [(D)] (F) The content of ORS 475B.010 to 475B.395 and rules adopted under ORS 475B.010 to  
15 475B.395; [and] or

16 [(E)] (G) Any matter deemed necessary by the commission to protect the public health and  
17 safety.

18 (b) The commission or other provider of [the] a course may charge a reasonable fee for the  
19 course.

20 (c) The commission may not require an individual to successfully complete [the] a course more  
21 than once, except that:

22 (A) As part of a final order suspending a permit issued under this section, the commission may  
23 require a permit holder to successfully complete the course as a condition of lifting the suspension;  
24 and

25 (B) As part of a final order revoking a permit issued under this section, the commission shall  
26 require an individual to successfully complete the course prior to applying for a new permit.

27 (3) The commission shall conduct a criminal records check under ORS 181A.195 on an individual  
28 applying for a permit under this section.

29 (4) Subject to the applicable provisions of ORS chapter 183, the commission may suspend, revoke  
30 or refuse to issue or renew a permit if the individual who is applying for or who holds the permit:

31 (a) Is convicted of a felony or is convicted of an offense under ORS 475.856, 475.858, 475.860,  
32 475.862 or 475B.010 to 475B.395, except that the commission may not consider a conviction for an  
33 offense under ORS 475.856, 475.858, 475.860, 475.862 or 475B.010 to 475B.395 if the date of the con-  
34 viction is two or more years before the date of the application or renewal;

35 (b) Violates any provision of ORS 475B.010 to 475B.395 or any rule adopted under ORS 475B.010  
36 to 475B.395; or

37 (c) Makes a false statement to the commission.

38 (5) A permit issued under this section is a personal privilege and permits work described under  
39 ORS 475B.215 only for the individual who holds the permit.

40 **SECTION 64.** ORS 475B.230 is amended to read:

41 475B.230. (1) An employee of a [person licensed under ORS 475B.070, 475B.090, 475B.100 or  
42 475B.110] **licensee** has the right to form, join and participate in the activities of a labor organization  
43 of the employee's own choosing for the purpose of securing representation and collective bargaining  
44 for matters concerning employment relations with the [person licensed under ORS 475B.070,  
45 475B.090, 475B.100 or 475B.110] **licensee**.

1 (2) For purposes of this section, the provisions of ORS chapters 661 to 663 apply to relations  
 2 between employees of [*persons licensed under ORS 475B.070, 475B.090, 475B.100 and 475B.110*]  
 3 **licensees** and employers that are [*licensed under ORS 475B.070, 475B.090, 475B.100 or 475B.110*]  
 4 **licensees** in the same manner that those provisions apply to other employment relations.

5 **SECTION 65.** ORS 475B.233 is amended to read:

6 475B.233. (1) It is an unlawful employment practice for a [*person that holds a license under ORS*  
 7 *475B.070, 475B.090, 475B.100 or 475B.110*] **licensee** to discharge, demote, suspend or in any manner  
 8 discriminate or retaliate against an employee of the [*person*] **licensee** with regard to promotion,  
 9 compensation or other terms, conditions or privileges of employment on the basis that the employee  
 10 has in good faith reported information to the Oregon Liquor Control Commission that the employee  
 11 believes is evidence of a violation of [*a provision of*] ORS 475B.010 to 475B.395 or a rule adopted  
 12 under [*a provision of*] ORS 475B.010 to 475B.395.

13 (2) This section is subject to enforcement under ORS chapter 659A.

14 **SECTION 66.** ORS 475B.235, as amended by section 24, chapter 23, Oregon Laws 2016, and  
 15 section 12, chapter 24, Oregon Laws 2016, is amended to read:

16 475B.235. (1) The Oregon Liquor Control Commission, in consultation with the Oregon Health  
 17 Authority and the State Department of Agriculture, shall establish a program for the purpose of  
 18 identifying and certifying private and public researchers of cannabis.

19 (2)(a) The authority shall assist the commission in identifying candidates for certification under  
 20 this section with respect to potential medical research.

21 (b) The department shall assist the commission in identifying candidates for certification under  
 22 this section with respect to potential agricultural research.

23 (3) Subject to subsection (4) of this section, the commission shall adopt by rule or order:

24 (a) Qualifications for certification under this section;

25 (b) The term of a certificate issued under this section;

26 (c) Processes for applying for, receiving and renewing a certificate under this section;

27 (d) Procedures for tracking marijuana, usable marijuana, cannabinoid products, cannabinoid  
 28 concentrates and cannabinoid extracts received by and disposed or otherwise made use of by a  
 29 person [*certified*] **that holds a certificate issued** under this section; and

30 (e) Procedures for disposing or otherwise making use of marijuana, usable marijuana,  
 31 cannabinoid products, cannabinoid concentrates and cannabinoid extracts.

32 (4) In establishing qualifications under subsection (3) of this section, the commission shall con-  
 33 sider the following:

34 (a) A research applicant's access to funding and the overall cost of the proposed research;

35 (b) The overall benefit of an applicant's proposed research to this state's cannabis industry or  
 36 to public health and safety; and

37 (c) Legal barriers to conducting the proposed research or legal risks associated with conducting  
 38 the proposed research.

39 (5) In adopting procedures under subsection (3)(d) and (e) of this section with respect to making  
 40 use of marijuana, usable marijuana, cannabinoid products, cannabinoid concentrates and  
 41 cannabinoid extracts, the commission shall also adopt procedures by which a person [*certified*] **that**  
 42 **holds a certificate issued** under this section may transfer limited amounts of marijuana, usable  
 43 marijuana, cannabinoid products, cannabinoid concentrates and cannabinoid extracts to another  
 44 person [*certified*] **that holds a certificate issued** under this section or to a premises for which a  
 45 license has been issued under ORS 475B.070, 475B.090, 475B.100 or 475B.110.

1 (6) In adopting procedures under subsection (3)(d) and (e) of this section with respect to making  
 2 use of marijuana, usable marijuana, cannabinoid products, cannabinoid concentrates and  
 3 cannabinoid extracts, the commission shall also adopt procedures by which a person certified under  
 4 this section may give, devise or bequest usable marijuana, immature marijuana plants, **marijuana**  
 5 seeds, cannabinoid products, cannabinoid concentrates and cannabinoid extracts to a medical  
 6 marijuana dispensary registered with the authority under ORS 475B.450 and owned by a nonprofit  
 7 corporation organized under ORS chapter 65 for purposes described in section 22, chapter 23,  
 8 Oregon Laws 2016.

9 (7) A person [*certified*] **that holds a certificate issued** under this section:

10 (a) May receive marijuana, usable marijuana, cannabinoid products, cannabinoid concentrates  
 11 and cannabinoid extracts from a licensee or a registrant under ORS 475B.400 to 475B.525; and

12 (b) May not sell or otherwise transfer marijuana, usable marijuana, cannabinoid products,  
 13 cannabinoid concentrates or cannabinoid extracts to any other person, except as provided in this  
 14 section and rules adopted by the commission under this section.

15 (8) Except as otherwise provided by the commission by rule, rules adopted by the commission  
 16 for the purpose of administering and enforcing ORS 475B.010 to 475B.395 with respect to licensees  
 17 and licensee representatives apply to persons [*certified*] **that hold a certificate issued** under this  
 18 section and persons employed by or who otherwise perform work for persons [*certified*] **that hold**  
 19 **a certificate issued** under this section.

20 (9) A person [*who is certified*] **that holds a certificate issued** under this section, and an em-  
 21 ployee of or other person who performs work for a person [*certified*] **that holds a certificate issued**  
 22 under this section, is exempt from the criminal laws of this state for possession, delivery or manu-  
 23 facture of marijuana, aiding and abetting another in the possession, delivery and manufacture of  
 24 marijuana, or any other criminal offense in which possession, delivery or manufacture of marijuana  
 25 is an element, while performing activities related to conducting research as described in this section.

26 **SECTION 67.** ORS 475B.255, as amended by section 38, chapter 24, Oregon Laws 2016, is  
 27 amended to read:

28 475B.255. A person other than a [*person*] **marijuana processor** that holds a license **issued** un-  
 29 der ORS 475B.090 may not process cannabinoid extracts into a cannabinoid product.

30 **SECTION 68.** ORS 475B.260 is amended to read:

31 475B.260. (1)(a) A person under 21 years of age may not attempt to purchase, purchase or ac-  
 32 quire a marijuana item.

33 (b) For purposes of this subsection, purchasing a marijuana item includes accepting a marijuana  
 34 item, and acquiring a marijuana item includes consuming a marijuana item, provided that the con-  
 35 sumption of the marijuana item occurred no more than 24 hours before the determination that the  
 36 person consumed the marijuana item.

37 (2) Except as authorized by the Oregon Liquor Control Commission by rule, or as necessary in  
 38 an emergency, a person under 21 years of age may not enter or attempt to enter any portion of a  
 39 [*licensed*] premises that is posted or otherwise identified as being prohibited to the use of persons  
 40 under 21 years of age.

41 (3) A person who violates subsection (1) or (2) of this section commits a Class B violation.

42 (4) In addition to and not in lieu of any other penalty established by law, a court may require  
 43 a person under 21 years of age who violates subsection (1) of this section through misrepresentation  
 44 of age to perform community service, and the court may order that the person's driving privileges  
 45 and right to apply for driving privileges be suspended for a period not to exceed one year. If a court

1 has issued an order suspending driving privileges under this section, the court, upon petition of the  
2 person, may withdraw the order at any time the court deems appropriate. The court notification to  
3 the Department of Transportation under this subsection may include a recommendation that the  
4 person be granted a hardship permit under ORS 807.240 if the person is otherwise eligible for the  
5 permit.

6 (5) If a person cited under this section is at least 13 years of age but less than 21 years of age  
7 at the time the person is found in default under ORS 153.102 or 419C.472 for failure to appear, in  
8 addition to and not in lieu of any other penalty, the court shall issue notice under ORS 809.220 to  
9 the department for the department to suspend the person's driving privileges under ORS 809.280 (4).

10 (6) In addition to and not in lieu of any penalty established by law, the court may order a person  
11 to undergo assessment and treatment if the person has previously been found to have violated this  
12 section.

13 (7) The prohibitions of this section do not apply to a person under 21 years of age who is acting  
14 under the direction of the commission or under the direction of state or local law enforcement  
15 agencies for the purpose of investigating possible violations of laws prohibiting sales of marijuana  
16 items to persons who are under 21 years of age.

17 (8) The prohibitions of this section do not apply to a person under 21 years of age who is acting  
18 under the direction of a licensee for the purpose of investigating possible violations by employees  
19 of the licensee of laws prohibiting sales of marijuana items to persons who are under 21 years of  
20 age.

21 (9)(a) A person under 21 years of age is not in violation of, and is immune from prosecution  
22 under, this section if:

23 (A) The person contacted emergency medical services or a law enforcement agency in order to  
24 obtain medical assistance for another person who was in need of medical assistance because that  
25 person consumed a marijuana item and the evidence of the violation of this section was obtained  
26 as a result of the person's having contacted emergency medical services or a law enforcement  
27 agency; or

28 (B) The person was in need of medical assistance because the person consumed a marijuana item  
29 and the evidence of the violation of this section was obtained as a result of the person's having  
30 sought or obtained the medical assistance.

31 (b) Paragraph (a) of this subsection does not exclude the use of evidence obtained as a result  
32 of a person's having sought medical assistance in proceedings for crimes or offenses other than a  
33 violation of this section.

34 **SECTION 69.** ORS 475B.290 is amended to read:

35 475B.290. For purposes of ORS 475B.010 to 475B.395, the provisions of ORS 183.440 apply to  
36 subpoenas issued by the Oregon Liquor Control Commission and [*any*] **to subpoenas issued by an**  
37 authorized agent of the commission.

38 **SECTION 70.** ORS 475B.295 is amended to read:

39 475B.295. In addition to any other liability or penalty provided by law, the Oregon Liquor Con-  
40 trol Commission may impose for each violation of a provision of ORS 475B.010 to 475B.395 or a rule  
41 adopted under [*a provision of*] ORS 475B.010 to 475B.395 a civil penalty that does not exceed \$5,000  
42 for each violation. The commission shall impose civil penalties under this section in the manner  
43 provided by ORS 183.745. Moneys collected under this section shall be deposited in the Marijuana  
44 Control and Regulation Fund established under ORS 475B.240.

45 **SECTION 71.** ORS 475B.298 is amended to read:

1 475B.298. If *[it is proved that]* the owner of a building or premises knowingly has used the  
 2 building or premises **for**, or allowed the building or premises to be occupied for, the *[manufacture,*  
 3 *sale or possession]* **production, processing, sale or use** of marijuana items contrary to the pro-  
 4 visions of ORS 475B.010 to 475B.395, **475B.400 to 475B.525, 475B.550 to 475B.590 or 475B.600 to**  
 5 **475B.655, or contrary to the provisions of any other state law or local ordinance regulating**  
 6 **the production, processing, sale or use of marijuana items**, the building or premises *[are]* **is**  
 7 subject to a lien for, and may be sold to pay all fines and costs assessed against *[their occupants*  
 8 *for,]* **the occupants of the building or premises for**, any violation of ORS 475B.010 to 475B.395,  
 9 **475B.400 to 475B.525, 475B.550 to 475B.590 or 475B.600 to 475B.655, or any other state law or**  
 10 **local ordinance regulating the production, processing, sale or use of marijuana items**. The lien  
 11 must be enforced immediately by civil action in *[any]* a court that has jurisdiction **over the area**  
 12 **in which the building or premises is located**, by the district attorney of the county in which the  
 13 building or premises *[are]* **is** located.

14 **SECTION 72.** ORS 475B.300 is amended to read:

15 475B.300. The *[state police, sheriffs and police]* **law enforcement** officers of this state may en-  
 16 force ORS 475B.010 to 475B.395 and assist the Oregon Liquor Control Commission in detecting vio-  
 17 lations of ORS 475B.010 to 475B.395 and apprehending offenders. *[An enforcing]* **A law enforcement**  
 18 officer who has notice, knowledge or reasonable ground of suspicion of a violation of ORS 475B.010  
 19 to 475B.395 shall immediately notify the district attorney **who has jurisdiction over the violation**  
 20 and furnish the district attorney **who has jurisdiction over the violation** with names and addresses  
 21 of any witnesses*[,]* **to the violation** or other information *[within the officer's knowledge, of]* **related**  
 22 **to the violation**.

23 **SECTION 73.** ORS 475B.305 is amended to read:

24 475B.305. (1) When *[an]* **a law enforcement** officer arrests a person for *[violation of]* **violating**  
 25 ORS 475B.010 to 475B.395, the **law enforcement** officer may take into possession all marijuana  
 26 items and other property that the **arrested** person *[so arrested]* has in possession, or that is on the  
 27 premises, that *[is]* apparently **is** being used in violation of ORS 475B.010 to 475B.395.

28 (2) If a person arrested as described in this section is convicted, and the court finds that the  
 29 marijuana items and other property have been used in violation of *[the laws of this state]* **ORS**  
 30 **475B.010 to 475B.395:**

31 (a) The marijuana items must be forfeited to an appropriate state or local law enforcement  
 32 agency and must be delivered by the court or **law enforcement** officer, at the direction of the court,  
 33 to the law enforcement agency; and

34 (b) Subject to **any** other applicable law, the other property must be forfeited to the Oregon Li-  
 35 quor Control Commission, and must be delivered by the court or **law enforcement** officer, **at the**  
 36 **direction of the court**, to the commission.

37 (3) The commission is authorized to destroy or *[make such other disposition]* **otherwise dispose**  
 38 of any property *[it]* **the commission** receives under subsection (2)(b) of this section *[as it considers*  
 39 *to be in the public interest. In any such case, all such,]* **provided that if the commission elects to**  
 40 **sell the** property, including furniture, furnishings, **and** equipment and facilities for the storing,  
 41 serving or using of marijuana items *[must be confiscated and forfeited to the state, and]*, the clear  
 42 proceeds **of the sale** must be *[deposited with]* **credited to** the State Treasury **and deposited** in the  
 43 Common School Fund.

44 **SECTION 74.** ORS 475B.310 is amended to read:

45 475B.310. The county courts, district attorneys and municipal authorities, immediately upon the



1 conviction of *[any]* a licensee *[of the Oregon Liquor Control Commission]* of a violation of *[any pro-*  
 2 *vision of]* ORS 475B.010 to 475B.395, or *[the]* of a violation of any other law of this state or ordi-  
 3 nance of *[any municipality]* a **city or county located** in this state, *[in which violation marijuana had*  
 4 *any part,]* **an element of which is the possession, delivery or manufacture of a marijuana item,**  
 5 shall notify the **Oregon Liquor Control** Commission of the conviction. *[The county courts, district*  
 6 *attorneys and municipal authorities shall notify the commission of any acts, practices or other conduct*  
 7 *of a licensee convicted as described in this section that may be subversive of the general welfare or*  
 8 *contrary to the spirit of ORS 475B.010 to 475B.395 and shall recommend such action on the part of the*  
 9 *commission as will remove the evil.]*

10 **SECTION 75.** ORS 475B.325 is amended to read:

11 475B.325. (1) The governing body of a city or a county, when a petition is filed as provided in  
 12 this section, shall order an election on the question **as to** whether the operation of *[licensed]* prem-  
 13 ises **for which a license has been issued under ORS 475B.010 to 475B.395** should be prohibited  
 14 in the city or county.

15 (2) Except as otherwise provided in this section, the requirements for preparing, circulating and  
 16 filing a petition under this section:

17 (a) In the case of a city, must be as provided for an initiative petition under ORS 250.265 to  
 18 250.346.

19 (b) In the case of a county, must be as provided for an initiative petition under ORS 250.165 to  
 20 250.235.

21 (3) A petition under this section:

22 (a) Must be filed not less than 60 days before the day of the election; and

23 (b) Must be signed by not less than 10 percent of the electors registered in the city or county.

24 (4) If ORS 250.155 makes ORS 250.165 to 250.235 inapplicable to a county or if ORS 250.255  
 25 makes ORS 250.265 to 250.346 inapplicable to a city, the requirements for preparing, circulating and  
 26 filing a petition under this section must be as provided for an initiative petition under the county  
 27 or city charter or an ordinance adopted under the county or city charter.

28 (5) A signature is not valid unless signed within 180 days before the petition is filed.

29 (6) An election under this section must be held at the time of the next statewide general  
 30 election.

31 (7) An election under this section must be conducted under ORS chapters 246 to 260.

32 **SECTION 76.** ORS 475B.340, as amended by section 4, chapter 23, Oregon Laws 2016, and sec-  
 33 tion 66, chapter 24, Oregon Laws 2016, is amended to read:

34 475B.340. (1) For purposes of this section, “reasonable regulations” includes:

35 (a) Reasonable conditions on the manner in which a marijuana producer *[licensed]* **that holds**  
 36 **a license issued** under ORS 475B.070 may produce marijuana or in which a *[person who]* **re-**  
 37 **searcher of cannabis that** holds a certificate issued under ORS 475B.235 may produce marijuana  
 38 or propagate immature marijuana plants;

39 (b) Reasonable conditions on the manner in which a marijuana processor *[licensed]* **that holds**  
 40 **a license issued** under ORS 475B.090 may process marijuana or in which a *[person who]* **researcher**  
 41 **of cannabis that** holds a certificate issued under ORS 475B.235 may process marijuana;

42 (c) Reasonable conditions on the manner in which a marijuana wholesaler *[licensed]* **that holds**  
 43 **a license issued** under ORS 475B.100 may sell marijuana at wholesale;

44 (d) Reasonable conditions on the manner in which a marijuana retailer *[licensed]* **that holds a**  
 45 **license issued** under ORS 475B.110 may sell marijuana items;

1 (e) Reasonable limitations on the hours during which a premises for which a license has been  
2 issued under ORS [475B.070, 475B.090, 475B.100 or 475B.110] **475B.010 to 475B.395** may operate;

3 (f) Reasonable requirements related to the public's access to a premises for which a license or  
4 certificate has been issued under ORS [475B.070, 475B.090, 475B.100, 475B.110 or 475B.235] **475B.010**  
5 **to 475B.395**; and

6 (g) Reasonable limitations on where a premises for which a license or certificate may be issued  
7 under ORS [475B.070, 475B.090, 475B.100, 475B.110 or 475B.235] **475B.010 to 475B.395** may be lo-  
8 cated.

9 (2) Notwithstanding ORS 30.935, 215.253 (1) or 633.738, the governing body of a city or county  
10 may adopt ordinances that impose reasonable regulations on the operation of businesses located at  
11 premises for which a license **or certificate** has been issued under ORS [475B.070, 475B.090,  
12 475B.100 or 475B.110, or for which a certificate has been issued under ORS 475B.235,] **475B.010 to**  
13 **475B.395** if the premises are located in the area subject to the jurisdiction of the city or county,  
14 except that the governing body of a city or county may not:

15 (a) Adopt an ordinance that prohibits a premises for which a license has been issued under ORS  
16 475B.110 from being located within a distance that is greater than 1,000 feet of another premises for  
17 which a license has been issued under ORS 475B.110.

18 (b) Adopt an ordinance [*after January 1, 2015,*] that imposes a setback requirement for an agri-  
19 cultural building used to produce marijuana located on a premises for which a license has been is-  
20 sued under ORS 475B.070 if the agricultural building:

21 (A) Was constructed on or before July 1, 2015, in compliance with all applicable land use and  
22 building code requirements at the time of construction;

23 (B) Is located at an address where a marijuana grow site first registered with the Oregon Health  
24 Authority under ORS 475B.420 on or before January 1, 2015;

25 (C) Was used to produce marijuana pursuant to the provisions of ORS 475B.400 to 475B.525 on  
26 or before January 1, 2015; and

27 (D) Has four opaque walls and a roof.

28 **SECTION 77.** ORS 475B.345, as amended by section 3, chapter 91, Oregon Laws 2016, is  
29 amended to read:

30 475B.345. [(1) As used in this section, "designated primary caregiver" and "registry identification  
31 cardholder" have the meanings given those terms in ORS 475B.410.]

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

35 (b) Except as expressly authorized by this section, a county, city or other municipal corporation  
36 or district may not adopt or enact ordinances imposing a tax or fee on the production, processing  
37 or sale of marijuana items in this state.

38 [(3)] (2) Subject to subsection [(5)] (4) of this section, the governing body of a city or county  
39 may adopt an ordinance to be referred to the electors of the city or county as described in sub-  
40 section [(4)] (3) of this section that imposes a tax or a fee on the sale of marijuana items that are  
41 sold in the area subject to the jurisdiction of the city or the unincorporated area subject to the ju-  
42 risdiction of a county by a [person] **marijuana retailer** that holds a license **issued** under ORS  
43 475B.110.

44 [(4)] (3) If the governing body of a city or county adopts an ordinance under this section, the  
45 governing body shall refer the measure of the ordinance to the electors of the city or county for

1 approval at the next statewide general election.

2 [(5)] (4) An ordinance adopted under this section may not impose a tax or fee:

3 (a) In excess of three percent; or

4 (b) On a registry identification cardholder or on a designated primary caregiver who is pur-  
5 chasing a marijuana item for a registry identification cardholder.

6 **SECTION 78.** ORS 475B.355 is amended to read:

7 475B.355. (1) The Oregon Liquor Control Commission, the State Department of Agriculture and  
8 the Oregon Health Authority may not refuse to perform any duty under ORS 475B.010 to 475B.395  
9 on the basis that manufacturing, distributing, dispensing, possessing or using marijuana is prohibited  
10 by federal law.

11 (2) The commission may not revoke or refuse to issue or renew a license, **certificate or permit**  
12 under ORS 475B.010 to 475B.395 on the basis that manufacturing, distributing, dispensing, possessing  
13 or using marijuana is prohibited by federal law.

14 **SECTION 79.** ORS 475B.358 is amended to read:

15 475B.358. A person may not sue the Oregon Liquor Control Commission or a member of the  
16 commission, the State Department of Agriculture or the Oregon Health Authority, or any employee  
17 of the commission, department or authority, for performing or omitting to perform any duty, function  
18 or power of the commission, department or authority set forth in ORS 475B.010 to 475B.395 or in  
19 any other law of this state requiring the commission, department or authority to perform a duty,  
20 function or power related to marijuana **items**.

21 **SECTION 80.** ORS 475B.365 is amended to read:

22 475B.365. In case of invasion, disaster, insurrection or riot, or imminent danger of invasion,  
23 disaster, insurrection or riot, the Governor may, for the duration of the invasion, disaster,  
24 insurrection or riot, or imminent danger, immediately **and without notice** suspend, [*without notice*  
25 *any license*] in the area involved, [*granted*] **any license, certificate or permit issued** under ORS  
26 475B.010 to 475B.395.

27 **SECTION 81.** ORS 475B.370, as amended by section 3, chapter 23, Oregon Laws 2016, is  
28 amended to read:

29 475B.370. (1) Marijuana is:

30 (a) A crop for the purposes of “farm use” as defined in ORS 215.203;

31 (b) A crop for purposes of a “farm” and “farming practice,” both as defined in ORS 30.930;

32 (c) A product of farm use as described in ORS 308A.062; and

33 (d) The product of an agricultural activity for purposes of ORS 568.909.

34 (2) Notwithstanding ORS chapters 195, 196, 197, 215 and 227, the following are not permitted  
35 uses on land designated for exclusive farm use:

36 (a) A new dwelling used in conjunction with a marijuana crop;

37 (b) A farm stand, as described in ORS 215.213 (1)(r) or 215.283 (1)(o), used in conjunction with  
38 a marijuana crop; and

39 (c) A commercial activity, as described in ORS 215.213 (2)(c) or 215.283 (2)(a), carried on in  
40 conjunction with a marijuana crop.

41 (3) A county may allow the production of marijuana as a farm use on land zoned for farm or  
42 forest use in the same manner as the production of marijuana is allowed in exclusive farm use zones  
43 under this section and ORS 215.213, 215.283 and 475B.063.

44 (4) This section applies to:

45 (a) Marijuana producers [*licensed*] **that hold a license issued** under ORS 475B.070;

1 (b) Persons registered under ORS 475B.420 and designated to produce marijuana by one or more  
2 persons who hold valid registry identification cards issued under ORS 475B.415; and

3 (c) For the purpose of producing marijuana or propagating immature marijuana plants, [*persons*  
4 *who hold certificates*] **researchers of cannabis that hold a certificate issued** under ORS 475B.235.

5 **SECTION 82.** ORS 475B.399 is amended to read:

6 475B.399. (1) As used in this section, “marijuana” and “marijuana item” have the meanings given  
7 those terms in ORS 475B.015.

8 (2) On or before February 1 of each odd-numbered year, the Oregon Liquor Control Commission  
9 shall report to the Legislative Assembly in the manner required by ORS 192.245, the approximate  
10 amount of marijuana produced by [*persons who hold a license*] **marijuana producers that hold a**  
11 **license issued** under ORS 475B.070 and the approximate amount of marijuana items sold by [*persons*  
12 *who hold a license*] **marijuana retailers that hold a license issued** under ORS 475B.110, and  
13 whether the supply of marijuana in this state is commensurate with the demand for marijuana items  
14 in this state.

15 **SECTION 82a.** ORS 475B.430 is amended to read:

16 475B.430. (1) Except as provided in subsection (2) of this section, a registry identification  
17 cardholder and the designated primary caregiver of the registry identification cardholder may jointly  
18 possess no more than 24 ounces of usable marijuana.

19 (2) Subject to subsection (3) of this section, a person designated to produce marijuana by a  
20 registry identification cardholder may possess the amount of usable marijuana that the person har-  
21 vests from the person’s mature marijuana plants, provided that the person may not possess usable  
22 marijuana in excess of the amount of usable marijuana in the person’s possession as reported to the  
23 Oregon Health Authority under ORS 475B.423.

24 (3) A person designated to produce marijuana by a registry identification cardholder may not  
25 possess usable marijuana in excess of:

26 (a) For a marijuana [*growsite*] **grow site** located outdoors, 12 pounds of usable marijuana per  
27 mature marijuana plant; or

28 (b) For a marijuana [*growsite*] **grow site** located indoors, six pounds of usable marijuana per  
29 mature marijuana plant.

30 **SECTION 83.** Section 22, chapter 24, Oregon Laws 2016, is amended to read:

31 **Sec. 22.** (1) Subject to subsection (2) of this section, information is exempt from public disclosure  
32 under ORS 192.410 to 192.505 if the information is:

33 (a) The address of a premises for which a license has been issued or for which an applicant has  
34 proposed [*to be licensed*] **licensure** under ORS 475B.070, 475B.090 or 485B.100;

35 (b) Is related to the security plan or the operational plan for a premises for which a license has  
36 been issued or for which an applicant has proposed [*to be licensed*] **licensure** under ORS [*475B.070,*  
37 *475B.090, 485B.100 or 475B.110*] **475B.010 to 475B.395**; or

38 (c) Is related to any record that the Oregon Liquor Control Commission determines contains  
39 proprietary information of a [*person who holds a license under ORS 475B.070, 475B.090, 485B.100*  
40 *or 475B.110*] **licensee**.

41 (2) The exemption from public disclosure as provided by this section does not apply to a request  
42 for information if the request is made by a law enforcement agency.

43 **SECTION 84.** Section 29b, chapter 83, Oregon Laws 2016, is amended to read:

44 **Sec. 29b.** (1) Notwithstanding ORS 475B.110 (2)(d), a city or county may [*adopt an ordinance*  
45 *allowing*] **allow** a premises for which a license has been issued under ORS 475B.110 to be located

1 within [500] **1,000** feet of a public elementary or secondary school for which attendance is compul-  
 2 sory under ORS 339.020, or a private or parochial elementary or secondary school teaching children  
 3 as described in ORS 339.030 (1)(a), if:

4 (a) **The premises is not located within 500 feet of the school; and**

5 (b) The county or city determines that a physical or geographic barrier capable of preventing  
 6 children from traversing to the [school] **premises** separates the premises from the school.

7 (2) A city or county that [adopts an ordinance] **makes an allowance** under this section must  
 8 inform the Oregon Liquor Control Commission, in a form and manner prescribed by the commission,  
 9 of the [content and effective date of the ordinance] **allowance**.

10 **SECTION 85.** ORS 279A.025 is amended to read:

11 279A.025. (1) Except as provided in subsections (2) to (4) of this section, the Public Contracting  
 12 Code applies to all public contracting.

13 (2) The Public Contracting Code does not apply to:

14 (a) Contracts between a contracting agency and:

15 (A) Another contracting agency;

16 (B) The Oregon Health and Science University;

17 (C) A public university listed in ORS 352.002;

18 (D) The Oregon State Bar;

19 (E) A governmental body of another state;

20 (F) The federal government;

21 (G) An American Indian tribe or an agency of an American Indian tribe;

22 (H) A nation, or a governmental body in a nation, other than the United States; or

23 (I) An intergovernmental entity formed between or among:

24 (i) Governmental bodies of this or another state;

25 (ii) The federal government;

26 (iii) An American Indian tribe or an agency of an American Indian tribe;

27 (iv) A nation other than the United States; or

28 (v) A governmental body in a nation other than the United States;

29 (b) Agreements authorized by ORS chapter 190 or by a statute, charter provision, ordinance or  
 30 other authority for establishing agreements between or among governmental bodies or agencies or  
 31 tribal governing bodies or agencies;

32 (c) Insurance and service contracts as provided for under ORS 414.115, 414.125, 414.135 and  
 33 414.145 for purposes of source selection;

34 (d) Grants;

35 (e) Contracts for professional or expert witnesses or consultants to provide services or testimony  
 36 relating to existing or potential litigation or legal matters in which a public body is or may become  
 37 interested;

38 (f) Acquisitions or disposals of real property or interest in real property;

39 (g) Sole-source expenditures when rates are set by law or ordinance for purposes of source se-  
 40 lection;

41 (h) Contracts for the procurement or distribution of textbooks;

42 (i) Procurements by a contracting agency from an Oregon Corrections Enterprises program;

43 (j) The procurement, transportation, **sale** or distribution of distilled liquor, as defined in ORS  
 44 471.001, or the appointment of agents under ORS **471.230 or** 471.750 by the Oregon Liquor Control  
 45 Commission;

1 (k) Contracts entered into under ORS chapter 180 between the Attorney General and private  
2 counsel or special legal assistants;

3 (L) Contracts for the sale of timber from lands owned or managed by the State Board of Forestry  
4 and the State Forestry Department;

5 (m) Contracts for activities necessary or convenient for the sale of timber under paragraph (L)  
6 of this subsection, either separately from or in conjunction with contracts for the sale of timber,  
7 including but not limited to activities such as timber harvesting and sorting, transporting, gravel  
8 pit development or operation, and road construction, maintenance or improvement;

9 (n) Contracts for forest protection or forest related activities, as described in ORS 477.406, by  
10 the State Forester or the State Board of Forestry;

11 (o) Contracts entered into by the Housing and Community Services Department in exercising the  
12 department's duties prescribed in ORS chapters 456 and 458, except that the department's public  
13 contracting for goods and services is subject to ORS chapter 279B;

14 (p) Contracts entered into by the State Treasurer in exercising the powers of that office pre-  
15 scribed in ORS 178.010 to 178.100 and ORS chapters 286A, 287A, 289, 293, 294 and 295, including  
16 but not limited to investment contracts and agreements, banking services, clearing house services  
17 and collateralization agreements, bond documents, certificates of participation and other debt re-  
18 payment agreements, and any associated contracts, agreements and documents, regardless of  
19 whether the obligations that the contracts, agreements or documents establish are general, special  
20 or limited, except that the State Treasurer's public contracting for goods and services is subject to  
21 ORS chapter 279B;

22 (q) Contracts, agreements or other documents entered into, issued or established in connection  
23 with:

24 (A) The issuance of obligations, as defined in ORS 286A.100 and 287A.310, of a public body;

25 (B) The making of program loans and similar extensions or advances of funds, aid or assistance  
26 by a public body to a public or private body for the purpose of carrying out, promoting or sustaining  
27 activities or programs authorized by law; or

28 (C) The investment of funds by a public body as authorized by law, and other financial trans-  
29 actions of a public body that by their character cannot practically be established under the com-  
30 petitive contractor selection procedures of ORS 279B.050 to 279B.085;

31 (r) Contracts for employee benefit plans as provided in ORS 243.105 (1), 243.125 (4), 243.221,  
32 243.275, 243.291, 243.303 and 243.565;

33 (s) Contracts for employee benefit plans as provided in ORS 243.860 to 243.886; or

34 (t) Any other public contracting of a public body specifically exempted from the code by another  
35 provision of law.

36 (3) The Public Contracting Code does not apply to the contracting activities of:

37 (a) The Oregon State Lottery Commission;

38 (b) The legislative department;

39 (c) The judicial department;

40 (d) Semi-independent state agencies listed in ORS 182.454, except as provided in ORS 279.835 to  
41 279.855 and 279A.250 to 279A.290;

42 (e) Oregon Corrections Enterprises;

43 (f) The Oregon Film and Video Office, except as provided in ORS 279A.100 and 279A.250 to  
44 279A.290;

45 (g) The Travel Information Council, except as provided in ORS 279A.250 to 279A.290;

1 (h) The Oregon 529 Savings Network and the Oregon 529 Savings Board;

2 (i) The Oregon Innovation Council;

3 (j) The Oregon Utility Notification Center; or

4 (k) Any other public body specifically exempted from the code by another provision of law.

5 (4) ORS 279A.200 to 279A.225 and 279B.050 to 279B.085 do not apply to contracts made with  
 6 qualified nonprofit agencies providing employment opportunities for individuals with disabilities un-  
 7 der ORS 279.835 to 279.855.

8  
 9 **MISCELLANEOUS**

10  
 11 **SECTION 86. The Oregon Liquor Control Commission shall adopt rules necessary to im-**  
 12 **plement the amendments to sections 2 and 3, chapter 83, Oregon Laws 2016, by sections 18**  
 13 **and 19 of this 2017 Act on or before January 1, 2018.**

14 **SECTION 87. The amendments to section 2, chapter 83, Oregon Laws 2016, by section 18**  
 15 **of this 2017 Act do not affect any contract entered into between a marijuana producer reg-**  
 16 **istered under section 2, chapter 83, Oregon Laws 2016, and a registry identification**  
 17 **cardholder, as defined in ORS 475B.410, before the effective date of this 2017 Act.**

18 **SECTION 88. (1) Sections 23 to 26 and 30 of this 2017 Act and the amendments to ORS**  
 19 **475B.605 and 475B.655 by sections 32 and 33 of this 2017 Act become operative on January 1,**  
 20 **2018.**

21 **(2) The Oregon Liquor Control Commission and the Oregon Health Authority may take**  
 22 **any action before the operative date specified in subsection (1) of this section that is neces-**  
 23 **sary to enable the commission and authority to exercise, on and after the operative date**  
 24 **specified in subsection (1) of this section, all the duties, powers and functions conferred on**  
 25 **the commission and authority by sections 23 to 26 and 30 of this 2017 Act and the amend-**  
 26 **ments to ORS 475B.605 and 475B.655 by sections 32 and 33 of this 2017 Act.**

27 **SECTION 89. The unit captions used in this 2017 Act are provided only for the conven-**  
 28 **ience of the reader and do not become part of the statutory law of this state or express any**  
 29 **legislative intent in the enactment of this 2017 Act.**

30 **SECTION 90. This 2017 Act takes effect on the 91st day after the date on which the 2017**  
 31 **regular session of the Seventy-ninth Legislative Assembly adjourns sine die.**