

Requested by Representative WILSON

**PROPOSED AMENDMENTS TO
SENATE BILL 1015**

1 On page 1 of the printed bill, line 2, after the second semicolon delete the
2 rest of the line and insert “amending ORS 571.300; and prescribing an effec-
3 tive date.”.

4 Delete lines 4 through 30 and delete pages 2 through 6 and insert:

5 **“SECTION 1.** ORS 571.300, as amended by section 1, chapter 71, Oregon
6 Laws 2016, is amended to read:

7 “571.300. As used in ORS 571.300 to 571.315:

8 “(1) ‘Agricultural hemp seed’ means Cannabis seed:

9 “(a) That is sold to or intended to be sold to registered growers for
10 planting; or

11 “(b) That remains in an unprocessed or partially processed condition that
12 is capable of germination.

13 “(2) ‘Crop’ means industrial hemp grown under a single registration.

14 “(3) ‘Grower’ means a person, joint venture or cooperative that produces
15 industrial hemp.

16 “(4) ‘Handler’ means a person, joint venture or cooperative that receives
17 industrial hemp for processing into commodities, products or agricultural
18 hemp seed.

19 “(5) ‘Industrial hemp’:

20 “(a) Means all nonseed parts and varieties of the Cannabis plant, whether
21 growing or not, that contain an average tetrahydrocannabinol concentration

1 that does not exceed 0.3 percent on a dry weight basis.

2 “(b) Means any Cannabis seed:

3 “(A) That is part of a crop;

4 “(B) That is retained by a grower for future planting;

5 “(C) That is agricultural hemp seed;

6 “(D) That is for processing into or for use as agricultural hemp seed; or

7 “(E) That has been processed in a manner or to an extent that the
8 Cannabis seed is incapable of germination.

9 “(c) Does not mean industrial hemp commodities or products.

10 “(6) **‘Industrial hemp concentrate’ means an industrial hemp prod-**
11 **uct obtained by separating cannabinoids from industrial hemp by:**

12 “(a) **A mechanical process;**

13 “(b) **A chemical extraction process using a nonhydrocarbon-based**
14 **solvent, such as water, vegetable glycerin, vegetable oils, animal fats,**
15 **isopropyl alcohol or ethanol;**

16 “(c) **A chemical extraction process using carbon dioxide, provided**
17 **that the process does not involve the use of high heat or pressure; or**

18 “(d) **Any other process identified by the State Department of Agri-**
19 **culture by rule.**

20 “(7) **‘Industrial hemp extract’ means an industrial hemp product**
21 **obtained by separating cannabinoids from industrial hemp by:**

22 “(a) **A chemical extraction process using a hydrocarbon-based sol-**
23 **vent, such as butane, hexane or propane;**

24 “(b) **A chemical extraction process using carbon dioxide, if the**
25 **process uses high heat or pressure; or**

26 “(c) **Any other process identified by the department by rule.**

27 “**SECTION 2. Sections 3 and 4 of this 2017 Act are added to and**
28 **made a part of ORS 571.300 to 571.315.**

29 “**SECTION 3. (1) As used in this section, ‘licensee,’ ‘marijuana,’**
30 **‘marijuana item’ and ‘marijuana processor’ have the meanings given**

1 those terms in ORS 475B.015.

2 “(2) A grower registered under ORS 571.305 may deliver industrial
3 hemp, and a handler registered under ORS 571.305 may deliver indus-
4 trial hemp concentrates and industrial hemp extracts, to a marijuana
5 processor that holds a license issued under ORS 475B.090, if:

6 “(a) The grower or handler and the marijuana processor are regis-
7 tered with the Oregon Liquor Control Commission, in a form and
8 manner prescribed by the commission, for the purpose of processing
9 industrial hemp, industrial hemp concentrates and industrial hemp
10 extracts;

11 “(b) The marijuana processor is provided with the results of any
12 test conducted on the industrial hemp, industrial hemp concentrate
13 or industrial hemp extract pursuant to ORS 571.300 to 571.315 as a
14 condition of the marijuana processor’s receiving the industrial hemp,
15 industrial hemp concentrate or industrial hemp extract;

16 “(c) The marijuana processor keeps the results of any test that the
17 marijuana processor receives pursuant to paragraph (b) of this sub-
18 section in a form and manner prescribed by the commission;

19 “(d) The industrial hemp, industrial hemp concentrate or industrial
20 hemp extract is tracked using the system developed and maintained
21 under ORS 475B.150 when the industrial hemp, industrial hemp con-
22 centrate or industrial hemp extract is delivered to the premises of the
23 marijuana processor; and

24 “(e) The grower or handler and the marijuana processor meet any
25 other requirement established by the commission by rule.

26 “(3) Industrial hemp, industrial hemp concentrates and industrial
27 hemp extracts may be processed by a marijuana processor registered
28 under this section into any industrial hemp commodity or product or
29 used by a marijuana processor registered under this section to sup-
30 plement the processing of any marijuana item.

1 “(4) An industrial hemp concentrate, industrial hemp extract, in-
2 dustrial hemp commodity or product or marijuana item processed
3 pursuant to this section may be delivered by a marijuana processor
4 registered under this section to a licensee as described in ORS
5 475B.160, provided that the industrial hemp concentrate, industrial
6 hemp extract, industrial hemp commodity or product or marijuana
7 item meets any applicable requirement for marijuana items set forth
8 in ORS 475B.010 to 475B.395, 475B.550 to 475B.590 and 475B.600 to
9 475B.655 and rules adopted under ORS 475B.010 to 475B.395, 475B.550 to
10 475B.590 and 475B.600 to 475B.655.

11 “(5) The commission may impose an annual fee reasonably calcu-
12 lated to not exceed the cost of administering this section on growers
13 registered under this section, handlers registered under this section
14 and marijuana processors registered under this section. Fees collected
15 under this section shall be deposited in the Marijuana Control and
16 Regulation Fund established under ORS 475B.240. Moneys deposited in
17 the fund pursuant to this subsection are continuously appropriated to
18 the commission for the purpose of administering this section.

19 “SECTION 4. A person may not make a retail sale of industrial
20 hemp commodities or products in this state unless the industrial hemp
21 commodities or products and the industrial hemp used to process the
22 industrial hemp commodities or products meet the same or substan-
23 tially the same requirements for processing industrial hemp commod-
24 ities or products or growing industrial hemp set forth in ORS 571.300
25 to 571.315 and rules adopted under ORS 571.300 to 571.315. This section
26 does not apply to the retail sale of industrial hemp commodities or
27 products by a marijuana retailer, as defined in ORS 475B.015, that
28 holds a license issued under ORS 475B.110.

29 “SECTION 5. (1) Section 3 of this 2017 Act and the amendments to
30 ORS 571.300 by section 1 of this 2017 Act become operative on January

1 **1, 2018.**

2 **“(2) The Oregon Liquor Control Commission and the State Depart-**
3 **ment of Agriculture may take any action before the operative date**
4 **specified in subsection (1) of this section that is necessary to enable**
5 **the commission and department to exercise, on and after the operative**
6 **date specified in subsection (1) of this section, all the duties, functions**
7 **and powers conferred on the commission and department by section 3**
8 **of this 2017 Act and the amendments to ORS 571.300 by section 1 of this**
9 **2017 Act.**

10 **“SECTION 6. This 2017 Act takes effect on the 91st day after the**
11 **date on which the 2017 regular session of the Seventy-ninth Legislative**
12 **Assembly adjourns sine die.”**

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