

SB 1544 -16 STAFF MEASURE SUMMARY

Senate Committee On Rules

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Meeting Dates: 2/13, 2/26

WHAT THE MEASURE DOES:

Eliminates the testing requirements applicable to marijuana that is received from a Oregon Medical Marijuana Program registry identification cardholder (cardholder) or the cardholder's designated primary caregiver, processed by a licensed recreational marijuana processor and subsequently returned to the cardholder or caregiver in the form of cannabinoid products, concentrates or extracts. Expands class of persons who may provide marijuana to, and receive cannabinoid products, concentrates or extracts from, a licensed recreational marijuana processor, to include certain persons who produce marijuana for a cardholder. Modifies plant limitations applicable to address where cardholder, or their primary caregiver, produces marijuana. Modifies plant limitations applicable to medical marijuana grow sites.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-16 Replaces the measure. Creates Illegal Marijuana Market Enforcement Grant Program, administered by the Oregon Criminal Justice Commission (OCJC), to provide assistance to local governments in addressing unlawful marijuana cultivation and distribution. Temporarily eliminates certain fees imposed on marijuana grow sites, processing sites and dispensaries and temporarily modifies use of funds in Oregon Marijuana Account. Sunsets changes in 2024. Authorizes local governments to disclose payment distribution amounts made pursuant to agreement with Department of Revenue.

Exempts medical marijuana grows from tracking system if no more than two persons are registered at grow site or if address used to produce marijuana for no more than two registry identification cardholders (cardholders). Increases, from four to eight, the maximum number of cardholders for whom a person may produce marijuana. Directs Oregon Health Authority to adopt rules establishing maximum number of immature marijuana plants that are less than 24 inches in height, that may be produced at a medical marijuana grow site. Exempts cannabinoid products, concentrates and extracts from labeling, packaging and serving size requirements, if products processed by licensed commercial processor, produced from marijuana provided by a cardholder or caregiver and subsequently returned to the cardholder or caregiver. Allows licensed commercial producer to provide immature marijuana plants to medical marijuana grower, cardholder or caregiver.

Authorizes marijuana retailers and dispensaries to continue to locate within 500 feet of school, if retailer or dispensary established before August 1, 2017, pursuant to city or county ordinance. Modifies evidence necessary to establish address where marijuana grow site is located. Prohibits considering marijuana grow site as commercial, solely because marijuana grow site is not subject to tracking system. Classifies industrial hemp as marijuana item if contains more than .3 percent tetrahydrocannabinol and requires industrial hemp products to carry label indicating whether derived from hemp or marijuana. Extends period of time within which Oregon Cannabis Commission must submit report and may request legislation.

BACKGROUND:

The general rule under ORS 475B.206 is that licensed recreational marijuana producers, processors and wholesalers may only receive marijuana from other licensees. Current law, however, provides an exception to this general rule for marijuana received by a licensed recreational marijuana processor, if the marijuana is provided by a cardholder or

the cardholder's primary caregiver, processed into cannabinoid products, concentrates or extracts and returned to the cardholder or caregiver, provided that the processed product is tested and meets certain dosage requirements. Senate Bill 1544 makes two changes to this authority. First, the bill exempts these products, concentrates and extracts from the obligation to be tested. Second, the bill would allow marijuana processors to receive marijuana from, and return cannabinoid products, concentrates or extracts to, certain persons who are designated to produce marijuana for a cardholder.

Medical marijuana cardholders are currently authorized to designate another person to produce marijuana on their behalf. These designated persons may produce marijuana for up to four cardholders and are subject to specified plant limitations, based on the number of cardholders for whom they produce marijuana, whether the address at which the marijuana is produced is within the city limits in an area zoned for residential use, when the person first registered with the Oregon Health Authority and whether the registration of the person responsible for the grow site has been suspended or revoked by the authority or terminated by the cardholder. Senate Bill 1544 modifies these plant limits.