

HB 3200 STAFF MEASURE SUMMARY
Senate Committee On Business and General Government

Carrier: Sen. Olsen

Action Date: 05/02/19
Action: Do pass.
Vote: 5-0-0-0
Yeas: 5 - Dembrow, Girod, Hass, Olsen, Riley
Fiscal: Has minimal fiscal impact
Revenue: No revenue impact
Prepared By: Tyler Larson, LPRO Analyst
Meeting Dates: 5/2

WHAT THE MEASURE DOES:

Requires applicant for recreational marijuana production license who does not own premises where marijuana will be produced to submit signed informed consent of owner of premises to Oregon Liquor Control Commission. Requires applicant for medical marijuana grow site registration who does not own premises of grow site to submit signed informed consent from the owner of premises to Oregon Health Authority. Applies to applications for initial and renewed licenses and registrations received by Commission and Authority beginning January 1, 2020. Takes effect 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Constituent issue with tenant running potentially unlicensed grow operation on leased property
- Potential impact to existing production regulations

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Oregonians voted to legalize the medical use of marijuana in 1998. Administered by the Oregon Health Authority (OHA), the medical marijuana program provides legal protections for qualified patients, allows caregivers to provide assistance to a patient, and allows patients to grow their own medicine, designate a grower, or purchase marijuana from medical dispensaries or licensed recreational retail stores. In January 2019, OHA reported 12,408 registered grow sites.

Oregonians voted to legalize the production, sale, and consumption of recreational marijuana by persons 21 years or older in 2014. The Oregon Liquor Control Commission (OLCC) administers licensing for the recreational producers, processors, wholesalers, and retailers. Under the OLCC licensing process, applicants submit a license application in the online licensing system and pay an application fee. OLCC receives the application and a license investigator begins a completeness review, followed by a compliance review. An OLCC inspector also visits the site to determine compliance with physical requirements. The license is issued once all requirements are verified. Licenses must be renewed annually. As of March 21, 2019, OLCC has 1,124 active producer licenses.

House Bill 3200 requires an applicant for a marijuana production license or marijuana grow site registration who does not own the premises where marijuana will be produced or grown to submit the signed informed consent of the premises owner to the appropriate regulatory agency.