

**HB 4051 A STAFF MEASURE SUMMARY**

**Senate Committee On General Government and Emergency Preparedness**

---

**Prepared By:** C. Ross, Counsel

**Meeting Dates:** 2/19

---

**WHAT THE MEASURE DOES:**

Declares importance of and support for hemp industry.

Directs the Oregon Department of Agriculture (ODA) to monitor implementation of the Oregon Hemp Commission's (OHC) goals and budget; promote cooperation among the OHC, commodity commissions, the Oregon Beef Council, and the Oregon Wheat Commission; carry out assigned organizational tasks including the appointment and removal of OHC members; review OHC budgets; and adopt corresponding rules. Requires ODA to review OHC plans and projects for promotion, advertising, research, and information dissemination. Directs ODA to appoint seven temporary OHC members as specified for OHC rule adoption; appoint OHC commissioners as specified and in accordance with adopted rules; and consider appointment recommendations by commodity commissions, producers, and producer associations. Specifies requirements related to OHC members, officers, and employee payment, meeting locations, and OHC duties. Authorizes reimbursement of ODA's mandatory supervisory or administrative functions from OHC.

Requires OHC to adopt a budget, obtain approval, submit financial statements, and receive, deposit, invest, expend, and manage moneys in the same manner as a commodity commission. Authorizes OHC to accept grants, donations, or contributions from any source. Allows OHC to develop hemp-related intellectual property, and establishes provisions for contracts, moneys, ownership, management, disposal, and use of that property. Authorizes OHC to establish certain assessments, levies, and collections by rule or as specified. Requires OHC to adopt an annual budget as specified, subject to public hearing and notice requirements, and requiring final certification and approval from ODA. Requires certain hemp handlers or processors to report transfers or sales on OHC forms. Requires accurate records be maintained concerning the payment or collection of hemp assessments. Authorizes OHC to inspect, audit, and subpoena records to determine the accuracy of assessments paid or due to OHC. Establishes penalties and process for delinquent payments or failed transmittal of assessment moneys.

Authorizes the Department of Administrative Services (DAS) to assist with the purchase, acquisition, or provision of services, equipment, and materials upon OHC request, and establishes reimbursement process.

Applies to hemp produced, processed, delivered, transferred, or sold on or after January 1, 2021. Takes effect 91st day after *sine die*.

*House Committee: unanimous.*

*House Floor: 49-4, 7 excused.*

**ISSUES DISCUSSED:**

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

## HB 4051 A STAFF MEASURE SUMMARY

Industrial hemp refers to varieties of Cannabis that contain a limited amount of THC (tetrahydrocannabinol) that are grown for fiber, seed, oil, or as a cover crop. Industrial hemp is an agricultural product regulated by the Oregon Department of Agriculture (ODA). A series of laws related to industrial hemp have been enacted in Oregon over the past decade as the industry continues to evolve: Senate Bill 676 (2009) authorized hemp production and possession, and commerce in industrial hemp commodities; House Bill 4060 (2016) updated and clarified regulatory provisions and authorized ODA to adopt rules concerning quality, packaging, and labeling of industrial hemp seed; House Bill 1015 (2017) provided for the processing and sale of industrial hemp concentrates and extracts; and House Bill 4089 (2018) established the Oregon Industrial Hemp Agricultural Pilot Program and an agricultural hemp seed certificate program, and continued to refine statutes governing testing, regulation, personal possession, and THC concentration limits.

House Bill 4051-A creates a framework for the Oregon Hemp Commission overseen by the Oregon Department of Agriculture.