

OLCC LEGISLATIVE UPDATE

HOUSE COMMITTEE ON ECONOMIC RECOVERY AND PROSPERITY



Presented by Rosie Shatkin, TJ Sheehy and Amanda Borup | June 2022



OLCC UPDATES

- Liquor and Marijuana Market Data
- Artificially Derived Cannabinoids
- General Market THC limits
- Task Force on Cannabis-Derived Intoxicants and Illegal Cannabis Production
- OLCC Licensing Moratorium
- Upcoming Rulemaking: Marijuana license reassignment program, batch tagging and laboratory oversight



LIQUOR MARKET DATA: SUMMARY



YoY Cases Shipped Growth

May '21 – Apr '22	vs May '20 – Apr '21	vs May '19 – Apr '20
3.96m Cases Shipped	+0.86%	+5.32%
	+33,605	+200,091



YoY Spirits Sales Growth

May '21 – Apr '22	vs May '20 – Apr '21	vs May '19 – Apr '20
\$822.7m Spirits Sales	+5.36%	+15.85%
	+\$41.9m	+\$112.6m

Last 12 Months Ending April 2022



3,957,961

Cases Shipped

(All Products Listed)



\$822,683,650

Liquor Store Sales

(281 Open Stores)



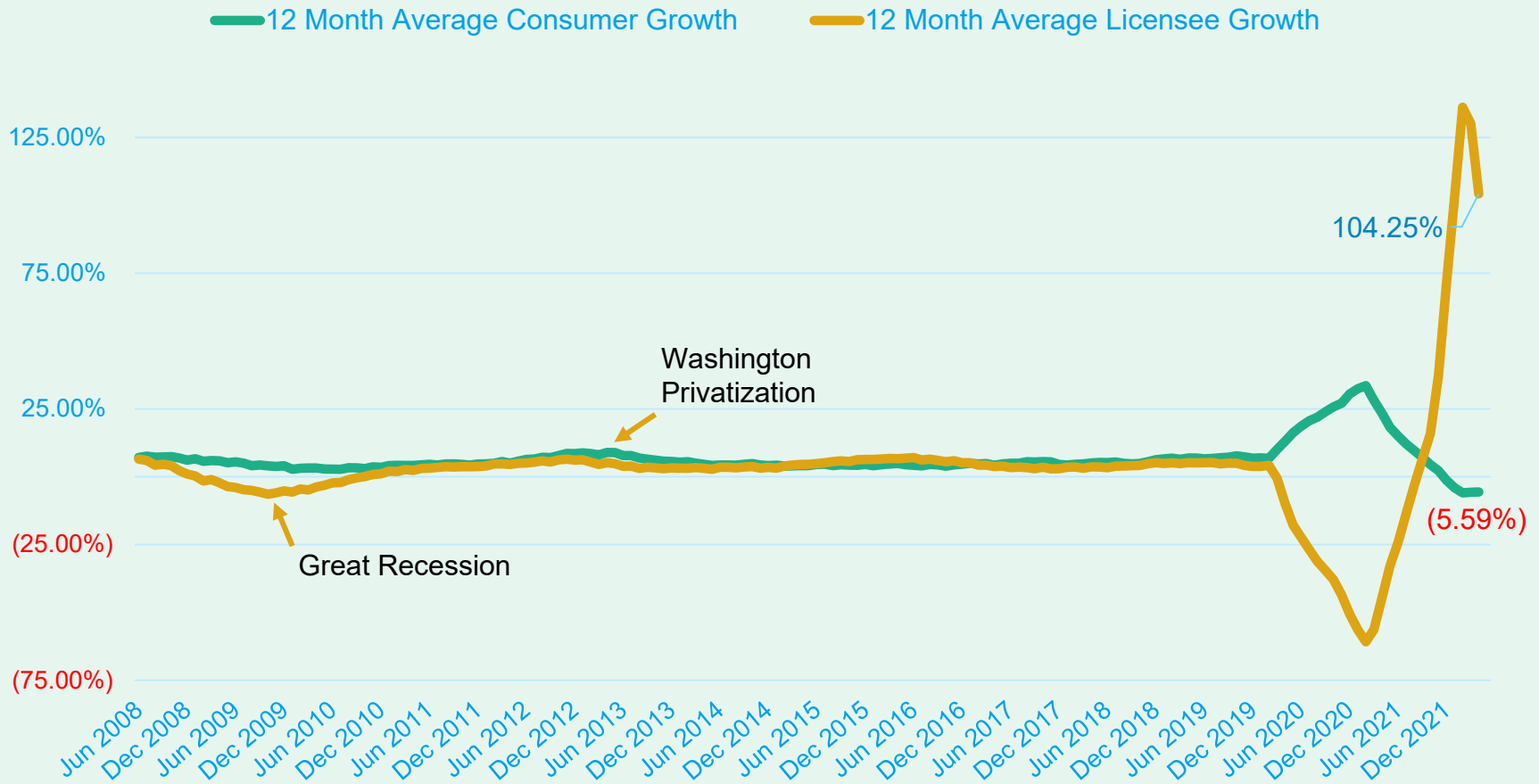
\$315,415,527

Est. Revenue Distribution

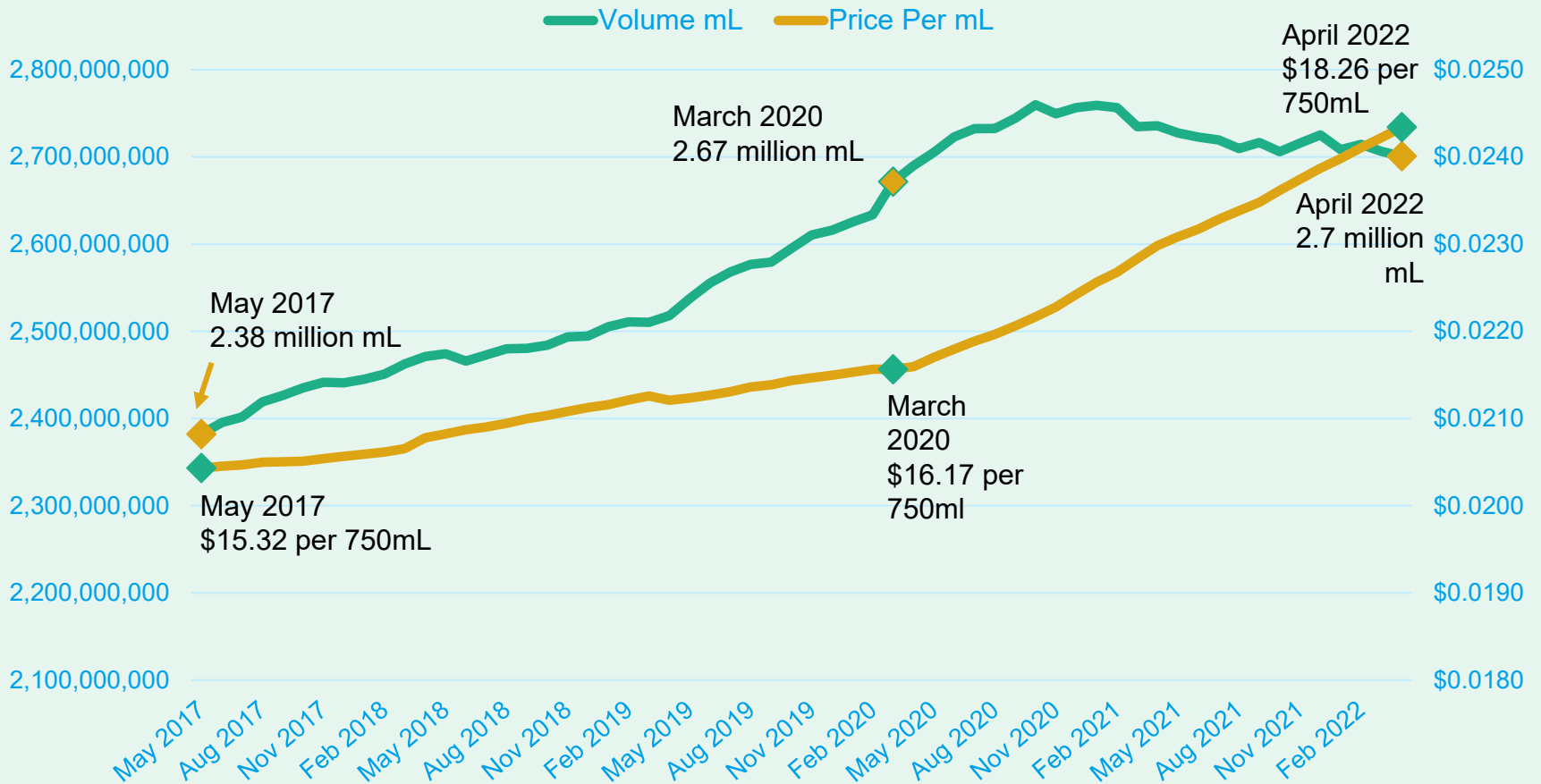
(General Fund, Counties, Cities,
Alcohol & Drug Treatment Services)



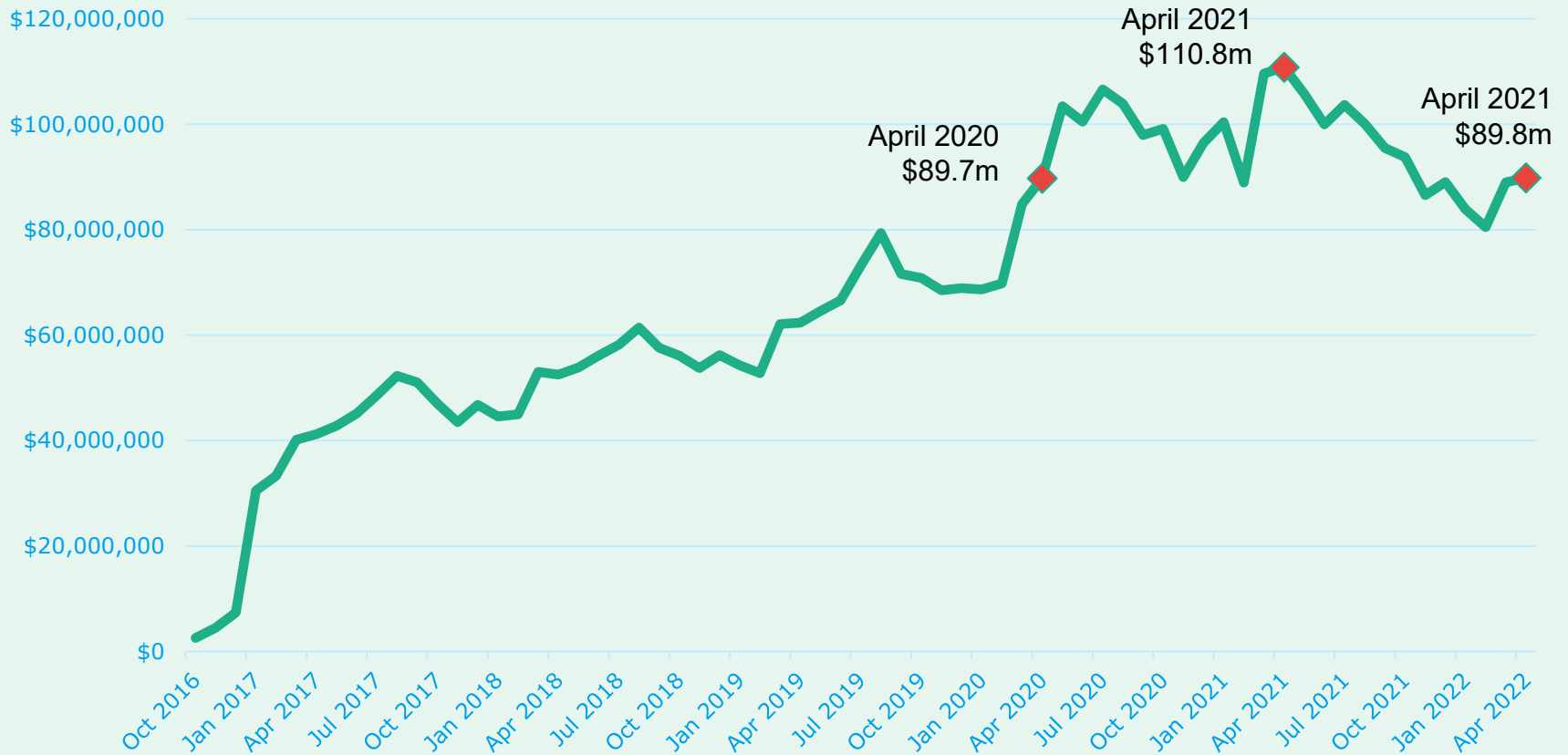
LIQUOR MARKET DATA: CONSUMER VS. LICENSEE SALES TREND



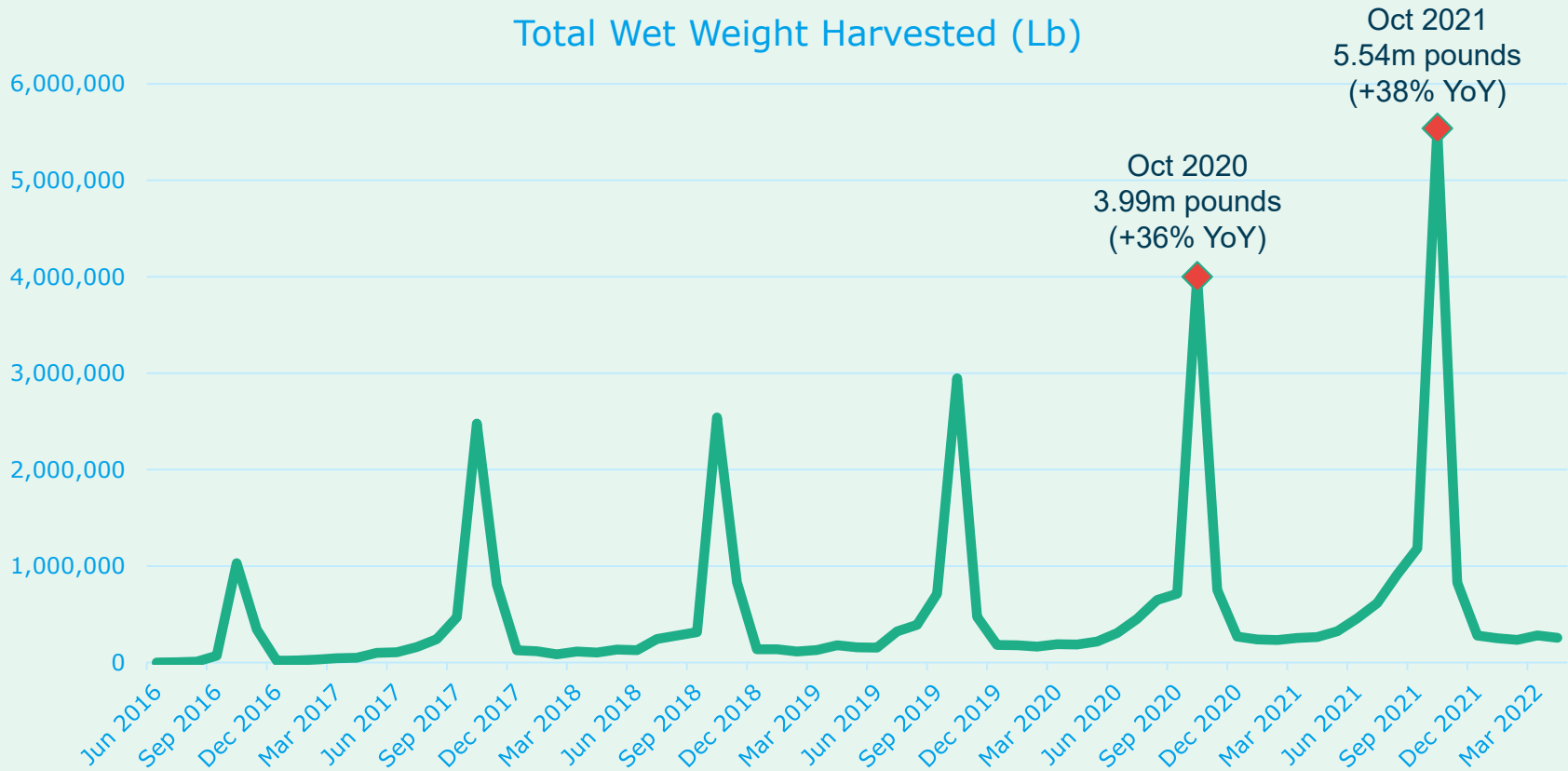
LIQUOR MARKET DATA: VOLUME TREND



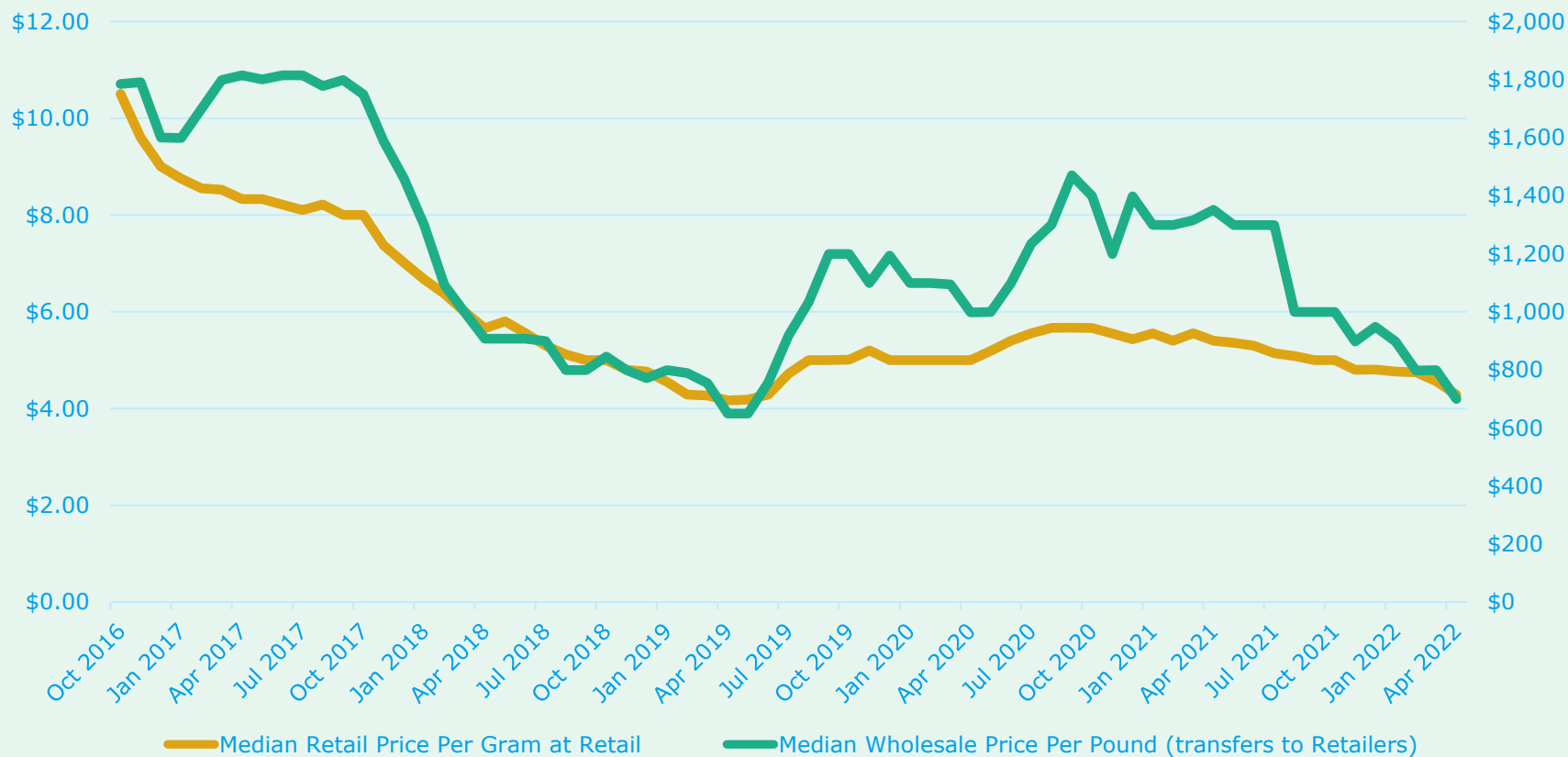
MARIJUANA MARKET DATA: DEMAND



MARIJUANA MARKET DATA: SUPPLY



MARIJUANA MARKET DATA: PRICES FOR USABLE MARIJUANA



MARKET DATA AVAILABILITY

- Liquor Market Data: includes city, county, & statewide sales by month and city, county, and statewide revenue distribution

<https://www.oregon.gov/olcc/liquorstores/Pages/distilled-spirits-sales.aspx>

- Marijuana Market Data: includes statewide and county sales by month, harvest by month and producer type, and median retail & wholesale prices (extracts/concentrates and usable marijuana)

<https://www.oregon.gov/olcc/marijuana/pages/marijuana-market-data.aspx>

ARTIFICIALLY DERIVED CANNABINOIDS

- **Beginning July 1, 2022:**
- Hemp items sold to Oregon consumers on the general market are not permitted to contain any amount of artificially derived cannabinoids.
- This limitation includes both intoxicating and non-intoxicating artificially derived cannabinoids, including but not limited to:
 - CBN made synthetically from CBD or THC
 - Delta 8 made synthetically from CBD or THC
 - “THCO” (acetylated forms of THC)
 - “HHC” (hexahydrocannabinol) or “HHCO”
- There is still a limited path for products containing non-intoxicating artificially derived cannabinoids to be sold in the OLCC-licensed adult use marijuana market.

THC IN THE GENERAL MARKET

- Beginning July 1, 2022 (sales to adults):

INDUSTRIAL HEMP PRODUCT THC CONCENTRATION AND SERVING SIZE LIMITS			
Type of Industrial Hemp Product	Maximum Amount of Total Delta-9-THC Per Serving	Maximum Amount of Total Delta-9-THC per Container	Maximum Concentration of Total Delta-9-THC
Hemp Edibles	2 mg	20 mg	0.3%
Hemp Topicals	N/A	N/A	0.3%
Hemp Transdermal Patches	2 mg	20 mg	0.3%
Hemp Tinctures	N/A	100 mg	0.3%
Usable Hemp	N/A	N/A	0.3%
Industrial Hemp Concentrates or Extracts	N/A	N/A	0.3%
Cannabinoid Hemp Products Other than Hemp Edibles, Topicals, Tinctures, or Transdermal Patches	2 mg	20 mg	0.3%

HB 3000 & SB 1564 TASK FORCE

- Task Force on Cannabis-Derived Intoxicants and Illegal Cannabis Production
- Purpose: Consider the items listed in HB 3000 and SB 1564 to develop a report including final findings and recommendations for legislation, to the interim committee of the Legislative Assembly related to economic development no later than December 31, 2022
- Membership: Bipartisan and bicameral Task Force including representation from cities, counties, law enforcement, hemp growers, hemp handlers, marijuana licensees, OSU's Global Hemp Innovation Center, DA's, OSP, DOJ, BOLI, OWRD, ODA, OHA, and OLCC.



HB 4016: LICENSING MORATORIUM

- Effective January 1, 2022 – March 31, 2024 the OLCC may not accept new applications for producers, processors, wholesalers and retailers.
- Current licensees retain the right to sell their business or change the location of their business.
- A change of ownership (over 50%) or change of location requires pre-approval by the OLCC



UPCOMING RULEMAKING & COMPLIANCE

- License Reassignment Program
 - Implementing a program and administrative rules to issue licenses that have been surrendered, canceled or expired.
- Plant Batch Tagging
 - Modifying the requirement to physically tag each plant for tracking purposes, reducing monetary cost to licensees while still focusing on public health and safety.
- Laboratory Oversight
 - Utilizing in house and licensed laboratories for compliance checks – continuing conversations about the need for a state reference lab.





OLCC'S MISSION

Support businesses, public safety,
and community livability
through education and the enforcement
of liquor and marijuana laws.