

HB 2281 STAFF MEASURE SUMMARY

House Committee On Agriculture and Natural Resources

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 1/28

WHAT THE MEASURE DOES:

Declares that the development and administration of the Oregon Hemp State Program will move the State of Oregon and its residents to the forefront of the hemp industry. Directs Oregon Department of Agriculture (ODA) to administer the program for production, processing, and sale of hemp. Requires ODA to adopt rules to implement a state plan in accordance with the Agriculture Improvement Act of 2018 (P.L. 115-334) and subsequent federal law; requires that rules conform, but are not more stringent than, the federal law. Authorizes ODA to charge license and license renewal fees in an amount reasonably calculated to pay for the cost of administering the program. Changes term "industrial hemp" to "hemp" and "registered grower" to "licensed grower." Requires ODA to conduct criminal records check of applicants for licensure related to hemp. Authorizes Oregon Health Authority, Oregon Liquor Control Commission, and ODA to take any action necessary to implement Act prior to effective date. Modifies limit to allow for the import and export of hemp products or commodities if it is less than one percent tetrahydrocannabinol and complies with certain statutes, rules, or orders of the federal Agriculture Improvement Act of 2018 (P.L. 115-334). Requires ODA to establish requirements by rule for commercial hemp shipments. Authorizes ODA to define commercial hemp shipment and shipment manifest by rule. Becomes operative January 1, 2022. Takes effect on 91st day following adjournment sine die.

REVENUE: May have revenue impact, but no statement yet issued.

FISCAL: May have fiscal impact, but no statement yet issued.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Industrial hemp is an agricultural product that is subject to regulation by the Oregon Department of Agriculture (ODA) and refers to cannabis varieties that are grown for fiber, seed, oil, or as a cover crop. The legislature has passed a series of laws related to industrial hemp over the past decade. In 2009, the Legislative Assembly enacted Senate Bill 676, which authorized the production, possession, and commerce of industrial hemp commodities in Oregon. Oregon's first industrial hemp grower was licensed by ODA in early 2015. In 2016, House Bill 4060 updated and clarified provisions related to the regulation of industrial hemp and authorized ODA to adopt rules to govern quality, packaging, and labeling of industrial hemp seed. In 2017, House Bill 1015 provided for processing and sales of industrial hemp concentrates and extracts. In 2018, House Bill 4089 established the Oregon Industrial Hemp Agricultural Pilot Program, an agricultural hemp seed certificate program, the Industrial Hemp Fund, and further modified industrial hemp statutes related to testing, regulation, personal possession, and tetrahydrocannabinol concentration limits.

House Bill 2281 would direct the Oregon Department of Agriculture (ODA) to administer the Oregon Hemp State Program for the production, processing, and sale of hemp, and would require ODA to establish by rule, requirements for a shipment manifest for commercial hemp shipments. .