HB 2997 STAFF MEASURE SUMMARY

House Committee On General Government

Prepared By: Caine Francis, LPRO Analyst

Meeting Dates: 2/2

WHAT THE MEASURE DOES:

Directs Department of Revenue, Oregon Health Authority, Oregon Liquor Control Commission (OLCC), State Department of Agriculture, and Office of the Governor, in consultation with the Oregon Cannabis Commission and OLCC licensees and regulated entities, to develop a plan for marijuana regulation. Requires the plan be submitted to the Legislative Assembly by December 31, 2021 and sunsets this requirement on January 2, 2022. Directs the Oregon Liquor Control Commission to adopt rules to develop compliance education programs for licensees. Declares emergency, takes effect on passage.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Oregon voters approved Ballot Measure 67 in 1998 allowing the medical use of marijuana in Oregon within specified limits. Cardholders may grow plants for themselves, designate a grower and grow site on their behalf, or purchase marijuana items from medical marijuana dispensaries or licensed recreational retail establishments. In 2014, Oregon voters enacted Ballot Measure 91, allowing the recreational use of marijuana for persons 21 years or older in Oregon. The Oregon Health Authority (OHA) administers the Oregon Medical Marijuana Program (OMMP) while the Oregon Liquor Control Commission (OLCC) administers and regulates the licensing for recreational marijuana producers, processors, wholesalers, and retailers and is responsible for developing and implementing the seed-to-sale tracking system known as the Cannabis Tracking System.

The Oregon Cannabis Commission (OCC) was created through House Bill 2198 (2017) and charged with determining a possible framework for the future governance of the OMMP by February 2019. The January 2019 Oregon Cannabis Commission Report concluded that the current regulation of cannabis by multiple state agencies with different mandates causes confusion and task duplication and does not provide Oregon with centralized oversight. The OCC recommended that the "legislature, in coordination with the OCC and other agencies, should explore alternate forms of governance over cannabis, such as consolidating governance under a single body. This process will require a detailed examination of the costs and benefits of restructuring the programs, and how to implement such a change."

House Bill 2997 directs the Department of Revenue, Oregon Health Authority, Oregon Liquor Control Commission (OLCC), State Department of Agriculture, and Governor's Office to collaborate with the Oregon Cannabis Commission and OLCC licensees and regulated entities to develop a plan for marijuana regulation. The plan must address regulatory authority over the Oregon Medical Marijuana program and administrative requirements for marijuana regulation. House Bill 2997 also directs the OLCC to adopt rules to develop compliance education programs.