

HB 3197 -1, -2 STAFF MEASURE SUMMARY

House Committee On General Government

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 3/11, 3/23

WHAT THE MEASURE DOES:

Requires employee of a laboratory that tests marijuana items to hold work permit issued by the Oregon Liquor Control Commission (OLCC). Directs OLCC to establish by rule a medical marijuana grow site registration process. Defines medical marijuana grow site as a location where marijuana is produced for registry identification cardholders, but not including marijuana grow sites registered by the Oregon Health Authority (OHA). Specifies criteria for OLCC registration and for the transfer of marijuana; sets grow site production limits; establishes civil penalties for violations; and establishes OLCC registration deadlines. Allows OLCC to adopt by reference applicable OHA rules. Limits a person designated to produce marijuana by a registry identification cardholder under an OHA grow site registration to grow for no more than two cardholders. Declares emergency, effective on passage.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Allows licensed marijuana retailer to relocate to required distance from school without obtaining a new license. Provides requirements for the processing, transfer, tracking, and sale of industrial hemp products.

-2 Requires employee of a laboratory that tests marijuana items to hold work permit issued by the Oregon Liquor Control Commission. Allows licensed marijuana retailer to relocate to required distance from school without obtaining a new license. Establishes testing and tracking requirements for industrial hemp processors to transfer hemp products to persons other than licensed processor, retailer, or wholesaler.

BACKGROUND:

Oregon voters approved Ballot Measure 67 in 1998 allowing the medical use of marijuana in Oregon within specified limits. Qualified patients (“registry identification 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 measure directed the Oregon Liquor Control Commission (OLCC) to administer and regulate the recreational system, including developing and implementing a seed-to-sale tracking system known as the Cannabis Tracking System (CTS).

In 2018, the Legislative Assembly made changes to the Oregon Medical Marijuana Program (OMMP), including exempting two-person medical grow sites from the CTS. Growers who grow for three or more patients now track in CTS and are subject to inspection by OLCC.

According to the Oregon Health Authority (OHA), as of January 21 the current OMMP participation numbers are 22,603 patients, 8,592 caregivers, 8,245 growers, 6,895 grow sites, 1 dispensary, and no processing sites. Of the 6,895 registered grow sites, a total of 6,428 have one or two registered patients. There are 467 grow sites registered under the OMMP who grow for three or more patients and report into the CTS.

House Bill 3197 allows the OHA to renew marijuana grow site registrations issued by the authority until June 1, 2022, clarifying that beginning September 1, 2021, the authority may not issue registration to a grow site that produces marijuana for more than two registry identification cardholders. The measure requires the OLCC to

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receive applications for grow site registrations no later than June 1, 2022 for sites previously registered under OHA or producing marijuana for three or more registry identification cardholders. The measure also requires employees of a laboratory that tests marijuana items to hold work permits issued by the Oregon Liquor Control Commission (OLCC).

PRELIMINARY