

FISCAL IMPACT OF PROPOSED LEGISLATION

81st Oregon Legislative Assembly – 2021 Regular Session
Legislative Fiscal Office

Measure: SB 408 - 5

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Date: April 13, 2021

Measure Description:

Limits conditions under which Oregon Liquor Control Commission may delay processing, approving, or denying a license application to cases in which the applicant or a person named in the application is the subject a proposed revocation or suspension; the application is for the premises of an existing licensee who is the subject of a proposed revocation or suspension; or the Commission has received information from law enforcement that the applicant or a person named in the application is engaged or has engaged in the unregulated commerce of marijuana items of the unlawful manufacture or delivery of controlled substances.

Government Unit(s) Affected:

Oregon Liquor Control Commission (OLCC), Oregon Health Authority (OHA), Oregon Department of Agriculture (ODA)

Analysis:

This fiscal impact statement is for the purpose of transmitting the measure from the Senate Committee on Labor and Business to the Joint Committee on Ways and Means.

Senate Bill 408, as amended by the -5 amendments, replaces the introduced version. Limits conditions under which Oregon Liquor Control Commission (OLCC) may delay processing, approving, or denying a license application to cases in which the applicant or a person named in the application is the subject a proposed revocation or suspension; the application is for the premises of an existing licensee who is the subject of a proposed revocation or suspension; or the OLCC has received information from law enforcement that the applicant or a person named in the application is engaged or has engaged in the unregulated commerce of marijuana items of the unlawful manufacture or delivery of controlled substances. Limits conditions under which OLCC may revoke, suspend, or restrict a recreational marijuana licensee and allows for revocation only when the conduct of a licensee poses a significant risk to public health or safety. Requires OLCC to develop a schedule outlining the number and types of violations that, if committed within a two-year period, indicate a disregard for the law or a failure to control the premises. Requires OLCC to report to an interim committee of the Legislative Assembly related to judiciary on annual rulemaking activities no later than December 31, 2021, and December 31, 2022.

Further Analysis Required

Repeals reporting requirement January 1, 2024. Allows for transfer of specified marijuana products between producers and processors and producers with common ownership. Establishes mandatory content for manifest that transport driver must carry in transport vehicle when transporting marijuana or marijuana items. Requires OLCC to adopt rules supporting marijuana plant diversity by allowing qualified producer to receive seeds from any source in this state and allows for delivery of seeds by producers, processors, and wholesalers to licensees, registered medical patients, and designated caregivers.

Increases possession limits from one ounce to two ounces of usable marijuana in a public place. Requires OLCC and the Oregon Health Authority (OHA) to adopt by rule concentration limits for a single package of cannabinoid product, concentrate, or extract with a maximum concentration of up to 100 milligrams tetrahydrocannabinol (THC) per package. Removes requirement for OLCC to adopt rules requiring usable marijuana to be packaged in child-resistant safety packaging. Requires OLCC to report to legislative assembly no later than December 31, 2022, on changes that would further reduce use of plastics by recreational marijuana industry. Repeals reporting requirement January 2, 2023. Establishes operative date of January 1, 2022 for majority of measure. Declares emergency, effective on passage.

The measure is anticipated to have an impact on the Oregon Liquor Control Commission, Oregon Health Authority, and the Oregon Department of Agriculture.

A more complete fiscal analysis on the measure will be prepared as the measure is considered in the Joint Committee on Ways and Means.

Further Analysis Required