

HB 2416 STAFF MEASURE SUMMARY

House Committee On General Government

Action Date: 03/09/21

Action: Do pass and be referred to Ways and Means by prior reference

Vote: 4-0-1-0

Yeas: 4 - Leif, Lively, Wilde, Zika

Exc: 1 - Smith Warner

Fiscal: Fiscal impact issued

Revenue: Revenue impact issued

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Meeting Dates: 1/26, 3/9

WHAT THE MEASURE DOES:

Directs State Department of Agriculture to design a cannabis business certification program and requires the Oregon Liquor Control Commission to allocate \$150,000 out of the Marijuana Control and Regulation Fund for these purposes. Requires that the business certification program incentivize cannabis business operations to adopt low-carbon cultivation techniques and efficient use of water and energy. Takes effect 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Provisions of measure

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Oregon Liquor Control Commission (OLCC) rules for marijuana producer licensees require proof of legal access to water, an estimate of electricity and water usage with the initial application, and actual electricity and water usage at renewal. OLCC marijuana licensing fees are deposited in the Marijuana Control and Regulation Fund, which is appropriated to OLCC to administer and enforce the recreational marijuana statutes. The Marijuana Control and Regulation Fund is established in the State Treasury, separate and distinct from the General Fund, under Oregon Revised Statute 475B.296. Moneys in the fund are continuously appropriated to the Oregon Liquor Control Commission to administer and enforce the commission's regulatory duties. The Oregon Department of Agriculture (ODA) administers many programs that affect agricultural producers and processors, including cannabis, and regulates the growing and processing of hemp in Oregon. House Bill 2416 was House Bill 4156 in the 2020 session and was passed out of the House Committee on Economic Development and referred to Joint Ways and Means where it remained at the close of session.

House Bill 2416 directs the State Department of Agriculture to design a cannabis business certification program, incentivizing low-carbon and energy efficient operations, funded by moneys allocated out of the Marijuana Control and Regulation Fund.