

HB 2265 A STAFF MEASURE SUMMARY

House Committee On General Government

Action Date: 03/23/21

Action: Do pass with amendments and be referred to Ways and Means. (Printed A-Eng.)

Vote: 4-0-1-0

Yeas: 4 - Leif, Lively, Smith Warner, Wilde

Exc: 1 - Zika

Fiscal: Fiscal impact issued

Revenue: No revenue impact

Prepared By: Caine Francis, LPRO Analyst

Meeting Dates: 3/11, 3/23

WHAT THE MEASURE DOES:

Directs Oregon Liquor Control Commission (OLCC) to establish by rule a medical marijuana grow site registration process. Defines medical marijuana grow site, 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. Limits person designated to produce marijuana by a registry identification cardholder under Oregon Health Authority (OHA) grow site registration to grow for no more than two cardholders. Allows OHA to renew marijuana grow site registrations until June 1, 2022 and requires OLCC to receive applications for grow site registrations no later than June 1, 2022. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Provisions of measure
- Oregon Medical Marijuana Program (OMMP) history
- Enforcement of grow site regulations

EFFECT OF AMENDMENT:

Replaces the measure.

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 (CTS).

In 2018, the Legislative Assembly made changes to the 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 2021, 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 2265 A directs the OLCC to establish by rule a medical marijuana grow site registration process. The measure defines a medical marijuana grow site registered under the OLCC, specifies criteria for OLCC registration

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and for the transfer of marijuana, sets grow site production limits, establishes civil penalties for violations, and establishes OLCC registration deadlines. Additionally, the measure 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. Finally, the measure allows OHA to renew marijuana grow site registrations until June 1, 2022 and requires the OLCC to receive applications for grow site registrations no later than June 1, 2022.