### HB 2263 A STAFF MEASURE SUMMARY

# **House Committee On General Government**

**Action Date:** 04/13/21

**Action:** Do pass with amendments and be referred to

Ways and Means. (Printed A-Eng.)

**Vote:** 5-0-0-0

Yeas: 5 - Leif, Lively, Valderrama, Wilde, Zika

Fiscal: Fiscal impact issued

**Revenue:** Has minimal revenue impact **Prepared By:** Caine Francis, LPRO Analyst

Meeting Dates: 2/2, 2/18, 3/23, 3/30, 4/6, 4/8, 4/13

# WHAT THE MEASURE DOES:

Authorizes a licensed marijuana producer or marijuana processor to establish an internal inventory tracking system to track the propagation or production of marijuana beginning January 1, 2022. Allows tracking by "batch" as defined by Oregon Liquor Control Commission (OLCC) rule. Prohibits OLCC from requiring the use of individual plant tags beginning July 1, 2023. Takes effect on 91st day following adjournment sine die.

#### **ISSUES DISCUSSED:**

- Provisions of measure
- Suppliers of plant tags

# **EFFECT OF AMENDMENT:**

Replaces the measure.

# **BACKGROUND:**

In implementing Ballot Measure 91 (2014), the Legislative Assembly added an explicit statutory requirement for the Oregon Liquor Control Commission (OLCC) to create a "seed-to-sale" tracking system as part of the state's regulatory and enforcement system. Oregon law enacted in 2015 required the OLCC to develop and maintain a marijuana tracking system to prevent diversion, prevent substitution or tampering, ensure accurate product accounting, ensure accurate reporting of laboratory results, and ensure compliance with licensing requirements. The system is required to track the propagation, production, processing, receiving, storing, delivering, sale, purchase, and transfer of marijuana items by all recreational licensees.

Statutory changes made in 2017 added medical grow sites for three or more registry identification cardholders; marijuana processing sites; and medical marijuana dispensaries to the OLCC tracking system and its requirements for the purpose of tracking the propagation, production, processing, and transfer of medical marijuana items.

House Bill 2263 A authorizes a licensed marijuana producer or marijuana processor to establish an internal inventory tracking system to track the propagation or production of marijuana beginning January 1, 2022. The measure also allows tracking by "batch" as defined by OLCC rule, and prohibits the OLCC from requiring the use of individual plant tags beginning July 1, 2023.