HOUSE AMENDMENTS TO HOUSE BILL 2671

By COMMITTEE ON AGRICULTURE AND NATURAL RESOURCES

April 19

1	On page 1 of the	printed bill, lin	ne 2, delet	e "571.269 an	nd 571.285"	and insert	"571.285 and
2	571.348".						

Delete lines 5 through 30 and delete pages 2 and 3 and insert:

"SECTION 1. Sections 2 to 4 of this 2021 Act are added to and made a part of ORS 571.260 to 571.348.

"SECTION 2. (1) The State Department of Agriculture shall adopt rules to require that a grower registered under ORS 571.281 accurately report to the department:

- "(a) That the grower does not intend to plant an industrial hemp crop at the location for which a registration is issued under ORS 571.281; or
 - "(b) Any loss of all or part of an industrial hemp crop.
- "(2) The rules adopted under this section must include a timeline for reporting to the department and may include other rules necessary to carry out this section.
- "SECTION 3. (1) If the industrial hemp crop of a grower registered under ORS 571.281 is found to contain an average tetrahydrocannabinol concentration that exceeds the limit described in ORS 571.281 (7) and the State Department of Agriculture requires the grower to destroy or remediate the industrial hemp crop, the grower shall provide documentation to the department of the destruction or remediation.
- "(2) The department shall adopt rules to carry out this section, including rules to specify acceptable documentation for purposes of subsection (1) of this section and timelines for providing the documentation to the department.
- "SECTION 4. (1) If a person plants an industrial hemp crop or commits a violation of ORS 571.260 to 571.348 prior to applying for a grower registration under ORS 571.281, the State Department of Agriculture shall:
- "(a) Prioritize the person's industrial hemp crop for inspection under ORS 571.281 (7), if the person planted the industrial hemp crop as described in this subsection; and
 - "(b) Require the person to enter into a corrective action plan with the department.
- "(2) If the person described in subsection (1) of this section does not enter into a corrective action plan pursuant to subsection (1) of this section, the department may not issue a registration to the person under ORS 571.281.
- "(3) The department may adopt rules to carry out this section, including rules to establish the corrective action plan described in subsection (1) of this section.
 - "SECTION 5. ORS 571.285 is amended to read:
- "571.285. (1) Subject to the provisions of ORS chapter 183, the State Department of Agriculture may revoke the registration of a grower, handler or agricultural hemp seed producer or refuse to register or renew the registration if a grower, handler or agricultural hemp seed producer violates:

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"(a) A provision of ORS 571.260 to 571.348;

- "(b) A rule adopted under a provision of ORS 571.260 to 571.348;
- "(c) An order issued by the department pursuant to a provision of ORS 571.260 to 571.348 or a rule adopted under a provision of ORS 571.260 to 571.348, including an order of detainment issued under ORS 571.281; or
- "(d) Any statutory law or department rule related to agricultural activities other than industrial hemp operations.
- "(2) The department may not discipline a grower, handler or agricultural hemp seed producer under this section on the basis that possessing, delivering and manufacturing industrial hemp are prohibited by federal law.
 - "SECTION 6. ORS 571.348 is amended to read:
- "571.348. (1) Subject to the provisions of ORS chapter 183, the State Department of Agriculture may impose a civil penalty not to exceed \$2,500 on a person for violating:
 - "(a) A provision of ORS 571.260 to 571.348;
 - "(b) A rule adopted under a provision of ORS 571.260 to 571.348; or
- "(c) An order issued by the department pursuant to a provision of ORS 571.260 to 571.348 or a rule adopted under a provision of ORS 571.260 to 571.348.
- "(2) In addition to the penalty described in subsection (1) of this section, subject to the provisions of ORS chapter 183, the department may impose a civil penalty not to exceed \$10,000 on a person if the person is a grower registered under ORS 571.281 and the department determines that the person's industrial hemp crop contains an average tetrahydrocannabinol concentration of at least 10 percent on a dry weight basis.
- "[(2)] (3) The department may not discipline a person under this section on the basis that possessing, delivering and manufacturing industrial hemp are prohibited by federal law.
- "[(3)] (4) All moneys collected by the department under this section shall be deposited in the General Fund in the State Treasury to the credit of the Industrial Hemp Fund established under ORS 571.278.
- "SECTION 7. (1) Sections 2 to 4 of this 2021 Act and the amendments to ORS 571.285 and 571.348 by sections 5 and 6 of this 2021 Act become operative on January 1, 2022.
- "(2) The State Department of Agriculture and the Oregon Liquor Control Commission may take any action before the operative date specified in subsection (1) of this section that is necessary to enable the department and the commission to exercise, on or after the operative date specified in subsection (1) of this section, all of the duties, functions and powers conferred on the department and the commission by sections 2 to 4 of this 2021 Act and the amendments to ORS 571.285 and 571.348 by sections 5 and 6 of this 2021 Act.
- "SECTION 8. This 2021 Act takes effect on the 91st day after the date on which the 2021 regular session of the Eighty-first Legislative Assembly adjourns sine die.".

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