

# House Bill 2671

Sponsored by Representative SMITH DB (Pre-session filed.)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Directs State Department of Agriculture to issue research license to qualified applicant. Allows licensed researcher to collect samples of industrial hemp crops that exceed tetrahydrocannabinol limit to perform studies related to crop biochemistry.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to hemp; creating new provisions; amending ORS 571.269 and 571.285; and prescribing an  
3 effective date.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. Sections 2 and 3 of this 2021 Act are added to and made a part of ORS 571.260**  
6 **to 571.348.**

7 **SECTION 2. (1) The State Department of Agriculture shall issue a research license to**  
8 **an applicant who, in the form and manner prescribed by the department:**

9 (a) **Submits an application;**

10 (b) **Pays any applicable fees established under this section; and**

11 (c) **Meets any requirements established by the department by rule.**

12 (2) **A research license issued under this section may be renewed annually on January 1**  
13 **of each year pursuant to rules adopted by the department.**

14 (3) **A research license issued under this section is a personal privilege and is not**  
15 **transferable.**

16 (4) **The department may charge application fees, license issuance and renewal fees, ad-**  
17 **ministrative change fees and fees for other services in amounts reasonably calculated by the**  
18 **department to pay the cost of administering ORS 571.260 to 571.348. Moneys from fees**  
19 **charged under this section shall be deposited in the Industrial Hemp Fund established under**  
20 **ORS 571.278.**

21 **SECTION 3. (1) A researcher licensed under section 2 of this 2021 Act may, prior to any**  
22 **detainment, seizure or embargo by the State Department of Agriculture, collect samples of**  
23 **industrial hemp crops inspected by the department under ORS 571.281 that are found to**  
24 **contain an average tetrahydrocannabinol concentration exceeding 0.3 percent on a dry weight**  
25 **basis or a tetrahydrocannabinol concentration exceeding the concentration allowed by federal**  
26 **law, whichever is greater.**

27 (2) **The researcher may conduct studies on industrial hemp samples collected under**  
28 **subsection (1) of this section to better understand and improve the biochemistry of industrial**  
29 **hemp crops in this state.**

30 (3) **The department may adopt rules to carry out this section.**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1       **SECTION 4.** ORS 571.269 is amended to read:

2       571.269. As used in ORS 571.260 to 571.348:

3       (1) “Agricultural hemp seed” means Cannabis seed:

4       (a) That is sold to or intended to be sold to registered growers for planting; or

5       (b) That remains in an unprocessed or partially processed condition that is capable of  
6 germination.

7       (2) “Crop” means industrial hemp grown under a single registration.

8       (3) “Grower” means a person, joint venture or cooperative that produces industrial hemp.

9       (4) “Handler” means a person, joint venture or cooperative that receives industrial hemp for  
10 processing into commodities, products or agricultural hemp seed.

11       (5) “Industrial hemp”:

12       (a) Except as provided in this paragraph, means all nonseed parts and varieties of the Cannabis  
13 plant, whether growing or not, that contain an average tetrahydrocannabinol concentration that  
14 does not exceed 0.3 percent on a dry weight basis. The State Department of Agriculture, by rule,  
15 may adopt any higher average tetrahydrocannabinol concentration limit established in federal law.

16       (b) Means any Cannabis seed:

17       (A) That is part of a crop;

18       (B) That is retained by a grower for future planting;

19       (C) That is agricultural hemp seed;

20       (D) That is for processing into or for use as agricultural hemp seed; or

21       (E) That has been processed in a manner or to an extent that the Cannabis seed is incapable  
22 of germination.

23       (c) Does not mean industrial hemp commodities or products.

24       (6) “Industrial hemp concentrate” means an industrial hemp product obtained by separating  
25 cannabinoids from industrial hemp by:

26       (a) A mechanical process;

27       (b) A chemical extraction process using a nonhydrocarbon-based solvent, such as water, vege-  
28 table glycerin, vegetable oils, animal fats, isopropyl alcohol or ethanol;

29       (c) A chemical extraction process using carbon dioxide, provided that the process does not in-  
30 volve the use of high heat or pressure; or

31       (d) Any other process identified by the department by rule.

32       (7) “Industrial hemp extract” means an industrial hemp product obtained by separating  
33 cannabinoids from industrial hemp by:

34       (a) A chemical extraction process using a hydrocarbon-based solvent, such as butane, hexane  
35 or propane;

36       (b) A chemical extraction process using carbon dioxide, if the process uses high heat or pres-  
37 sure; or

38       (c) Any other process identified by the department by rule.

39       **(8) “Researcher” means a person that performs studies on industrial hemp as described**  
40 **under section 3 of this 2021 Act.**

41       **SECTION 5.** ORS 571.285 is amended to read:

42       571.285. (1) Subject to the provisions of ORS chapter 183, the State Department of Agriculture  
43 may revoke the registration of a grower, handler or agricultural hemp seed producer or refuse to  
44 register or renew the registration if a grower, handler or agricultural hemp seed producer violates:

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

1 (b) A rule adopted under a provision of ORS 571.260 to 571.348;

2 (c) An order issued by the department pursuant to a provision of ORS 571.260 to 571.348 or a  
3 rule adopted under a provision of ORS 571.260 to 571.348; or

4 (d) Any statutory law or department rule related to agricultural activities other than industrial  
5 hemp operations.

6 **(2) Subject to the provisions of ORS chapter 183, the department may refuse to issue or**  
7 **renew a research license or revoke a research license if the applicant or researcher violates:**

8 **(a) A provision of ORS 571.260 to 571.348;**

9 **(b) A rule adopted under ORS 571.260 to 571.348;**

10 **(c) An order issued by the department under ORS 571.260 to 571.348; or**

11 **(d) Any statutory law or department rule related to agricultural activities other than**  
12 **industrial hemp operations.**

13 [(2)] **(3)** The department may not discipline a grower, handler [or], agricultural hemp seed pro-  
14 ducer **or researcher** under this section on the basis that possessing, delivering and manufacturing  
15 industrial hemp are prohibited by federal law.

16 **SECTION 6. (1) Sections 2 and 3 of this 2021 Act and the amendments to ORS 571.269 and**  
17 **571.285 by sections 4 and 5 of this 2021 Act become operative on January 1, 2022.**

18 **(2) The State Department of Agriculture may take any action before the operative date**  
19 **specified in subsection (1) of this section that is necessary to enable the department to ex-**  
20 **ercise, on and after the operative date specified in subsection (1) of this section, all of the**  
21 **duties, functions and powers conferred on the department by sections 2 and 3 of this 2021**  
22 **Act and the amendments to ORS 571.269 and 571.285 by sections 4 and 5 of this 2021 Act.**

23 **SECTION 7. This 2021 Act takes effect on the 91st day after the date on which the 2021**  
24 **regular session of the Eighty-first Legislative Assembly adjourns sine die.**

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