

A-Engrossed
Senate Bill 96

Ordered by the Senate March 5
Including Senate Amendments dated March 5

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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.

[Defines "cannabinoids" for purpose of inhalant delivery systems. Authorizes Oregon Health Authority to consult with Oregon Liquor Control Commission on adoption of rules related to inhalant delivery systems containing cannabinoids.] Authorizes **Oregon Liquor Control** Commission to regulate testing and labeling of inhalant delivery systems that *[contain cannabinoids derived from industrial hemp]* **include industrial hemp-derived vapor items.** Defines **"industrial hemp-derived vapor item."**

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to cannabis; creating new provisions; amending ORS 475B.025, 475B.550, 475B.555, 475B.560,
3 475B.565, 475B.600, 475B.605, 475B.610 and 571.330; and prescribing an effective date.

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

5 **SECTION 1.** ORS 475B.025 is amended to read:

6 475B.025. (1) The Oregon Liquor Control Commission has the duties, functions and powers
7 specified in ORS 475B.010 to 475B.545 and the powers necessary or proper to enable the commission
8 to carry out the commission's duties, functions and powers under ORS 475B.010 to 475B.545. The
9 jurisdiction, supervision, duties, functions and powers of the commission extend to any person that
10 produces, processes, transports, delivers, sells or purchases a marijuana item in this state. The
11 commission may sue and be sued.

12 (2) The duties, functions and powers of the commission specified in ORS 475B.010 to 475B.545
13 include the following:

14 (a) To regulate the production, processing, transportation, delivery, sale and purchase of
15 marijuana items in accordance with the provisions of ORS 475B.010 to 475B.545.

16 (b) To issue, renew, suspend, revoke or refuse to issue or renew licenses for the production,
17 processing or sale of marijuana items, or other licenses related to the consumption of marijuana
18 items, and to permit, in the commission's discretion, the transfer of a license between persons.

19 (c) To adopt, amend or repeal rules as necessary to carry out the intent and provisions of ORS
20 475B.010 to 475B.545, including rules that the commission considers necessary to protect the public
21 health and safety.

22 (d) To exercise all powers incidental, convenient or necessary to enable the commission to ad-
23 minister or carry out the provisions of ORS 475B.010 to 475B.545 or any other law of this state that
24 charges the commission with a duty, function or power related to marijuana. Powers described in

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 this paragraph include, but are not limited to:

2 (A) Issuing subpoenas;

3 (B) Compelling the attendance of witnesses;

4 (C) Administering oaths;

5 (D) Certifying official acts;

6 (E) Taking depositions as provided by law;

7 (F) Compelling the production of books, payrolls, accounts, papers, records, documents and tes-
8 timony; and

9 (G) Establishing fees in addition to the application, licensing and renewal fees described in ORS
10 475B.070, 475B.090, 475B.100 and 475B.105, provided that any fee established by the commission is
11 reasonably calculated not to exceed the cost of the activity for which the fee is charged.

12 (e) To adopt rules regulating and prohibiting advertising marijuana items in a manner:

13 (A) That is appealing to minors;

14 (B) That promotes excessive use;

15 (C) That promotes illegal activity; or

16 (D) That otherwise presents a significant risk to public health and safety.

17 (f) To regulate the use of marijuana items for other purposes as deemed necessary or appropri-
18 ate by the commission.

19 (g) To establish pilot programs, of not more than three years in duration, to expand access to
20 marijuana for medical use for registry identification cardholders and designated primary caregivers,
21 as defined in ORS 475B.791.

22 **(h) To regulate the testing and labeling of inhalant delivery systems, as defined in ORS**
23 **431A.175, that include industrial hemp-derived vapor items, as defined in ORS 475B.550, that**
24 **are sold in this state by any person.**

25 (3) Fees collected pursuant to subsection (2)(d)(G) of this section shall be deposited in the
26 Marijuana Control and Regulation Fund established under ORS 475B.296.

27 **SECTION 2.** ORS 475B.550 is amended to read:

28 475B.550. As used in ORS 475B.550 to 475B.590:

29 (1) "Cannabinoid" means any of the chemical compounds that are the active constituents of
30 marijuana.

31 (2) "Cannabinoid concentrate or extract" means a substance obtained by separating
32 cannabinoids from marijuana by a mechanical, chemical or other process.

33 (3) "Cannabinoid edible" means food or potable liquid into which a cannabinoid concentrate or
34 extract or the dried leaves or flowers of marijuana have been incorporated.

35 (4)(a) "Cannabinoid product" means a cannabinoid edible or any other product intended for hu-
36 man consumption or use, including a product intended to be applied to a person's skin or hair, that
37 contains cannabinoids or the dried leaves or flowers of marijuana.

38 (b) "Cannabinoid product" does not include:

39 (A) Usable marijuana by itself;

40 (B) A cannabinoid concentrate or extract by itself; or

41 (C) Industrial hemp[, *as defined in ORS 571.269*].

42 (5) **"Industrial hemp" has the meaning given that term in ORS 571.269.**

43 (6) **"Industrial hemp-derived vapor item" means an industrial hemp concentrate or in-**
44 **dustrial hemp extract, as those terms are defined in ORS 571.269, whether alone or combined**
45 **with other substances, that is intended for use in an inhalant delivery system.**

1 **(7) “Inhalant delivery system” has the meaning given that term in ORS 431A.175.**

2 [(5)(a)] **(8)(a)** “Marijuana” means the plant Cannabis family Cannabaceae, any part of the plant
3 Cannabis family Cannabaceae and the seeds of the plant Cannabis family Cannabaceae.

4 (b) “Marijuana” does not include:

5 (A) Industrial hemp[, *as defined in ORS 571.269*]; or

6 (B) Prescription drugs, as that term is defined in ORS 689.005, including those containing one
7 or more cannabinoids, that are approved by the United States Food and Drug Administration and
8 dispensed by a pharmacy, as defined in ORS 689.005.

9 [(6)] **(9)** “Marijuana item” means marijuana, usable marijuana, a cannabinoid product or a
10 cannabinoid concentrate or extract.

11 [(7)] **(10)** “Processing” means:

12 (a) The compounding or conversion of marijuana into cannabinoid products or cannabinoid
13 concentrates or extracts.

14 **(b) The compounding or conversion of industrial hemp into industrial hemp concentrates**
15 **or industrial hemp extracts.**

16 [(8)] **(11)** “Producing” means:

17 (a) Planting, cultivating, growing, trimming or harvesting marijuana; or

18 (b) Drying marijuana leaves and flowers.

19 [(9)(a)] **(12)(a)** “Usable marijuana” means the dried leaves and flowers of marijuana.

20 (b) “Usable marijuana” does not include:

21 (A) The seeds, stalks and roots of marijuana; or

22 (B) Waste material that is a by-product of producing or processing marijuana.

23 **SECTION 3.** ORS 475B.555 is amended to read:

24 475B.555. (1) As is necessary to protect the public health and safety, and in consultation with
25 the Oregon Liquor Control Commission and the State Department of Agriculture, the Oregon Health
26 Authority shall adopt rules:

27 (a) Establishing standards for testing marijuana items **and industrial hemp-derived vapor**
28 **items.**

29 (b) Identifying appropriate tests for marijuana items **and industrial hemp-derived vapor**
30 **items**, depending on the type of marijuana item **or industrial hemp-derived vapor item** and the
31 manner in which the marijuana item **or industrial hemp-derived vapor item** was produced or
32 processed, that are necessary to protect the public health and safety, including, but not limited to,
33 tests for:

34 (A) Microbiological contaminants;

35 (B) Pesticides;

36 (C) Other contaminants;

37 (D) Solvents or residual solvents; and

38 (E) Tetrahydrocannabinol and cannabidiol concentration.

39 (c) Establishing procedures for determining batch sizes and for sampling usable marijuana,
40 cannabinoid products [*and*], cannabinoid concentrates or extracts **and industrial hemp-derived**
41 **vapor items.**

42 (d) Establishing different minimum standards for different varieties of usable marijuana and dif-
43 ferent types of cannabinoid products and cannabinoid concentrates and extracts **and, as appropri-**
44 **ate, industrial hemp-derived vapor items.**

45 (2) In addition to the testing requirements established under subsection (1) of this section, the

1 authority or the commission may require cannabinoid edibles to be tested in accordance with any
2 applicable law of this state, or any applicable rule adopted under a law of this state, related to the
3 production and processing of food products or commodities.

4 (3) In adopting rules under ORS 475B.785 to 475B.949, the authority may require:

5 (a) A person responsible for a marijuana grow site under ORS 475B.810 to test usable marijuana
6 before transferring the usable marijuana to a registrant other than an individual who holds a reg-
7 istry identification card under ORS 475B.797; and

8 (b) A person processing marijuana to test cannabinoid products or cannabinoid concentrates or
9 extracts before transferring the cannabinoid products or cannabinoid concentrates or extracts to a
10 registrant other than an individual who holds a registry identification card under ORS 475B.797.

11 (4) In adopting rules under ORS 475B.010 to 475B.545, the commission may require:

12 (a) A marijuana producer that holds a license under ORS 475B.070 or a marijuana wholesaler
13 that holds a license under ORS 475B.100 to test usable marijuana before selling or transferring the
14 usable marijuana; and

15 (b) A marijuana processor that holds a license under ORS 475B.090 or a marijuana wholesaler
16 that holds a license under ORS 475B.100 to test cannabinoid products or cannabinoid concentrates
17 or extracts before selling or transferring the cannabinoid products or cannabinoid concentrates or
18 extracts.

19 (5) The authority and the commission may conduct random testing of marijuana items **or in-**
20 **ustrial hemp-delivered vapor items** for the purpose of determining whether a person subject to
21 testing under subsection (3) of this section or a licensee subject to testing under subsection (4) of
22 this section is in compliance with this section.

23 (6) In adopting rules to implement this section, the authority and commission may not require
24 a marijuana item **or industrial hemp-derived vapor item** to undergo the same test more than once
25 unless the marijuana item **or industrial hemp-derived vapor item** is processed into a different type
26 of marijuana item **or industrial hemp-derived vapor item** or the condition of the marijuana item
27 **or industrial hemp-derived vapor item** has fundamentally changed.

28 (7) The testing of marijuana items **and industrial hemp-derived vapor items** as required by
29 this section must be conducted by a laboratory licensed by the commission under ORS 475B.560 and
30 accredited by the authority under ORS 475B.565.

31 (8) In adopting rules under subsection (1) of this section, the authority:

32 (a) Shall consider the cost of a potential testing procedure and how that cost will affect the cost
33 to the ultimate consumer of the marijuana item **or industrial hemp-derived vapor item**; and

34 (b) May not adopt rules that are more restrictive than is reasonably necessary to protect the
35 public health and safety.

36 **SECTION 4.** ORS 475B.560 is amended to read:

37 475B.560. (1) A laboratory that conducts testing of marijuana items **or industrial hemp-derived**
38 **vapor items** as required by ORS 475B.555 must have a license to operate at the premises at which
39 the marijuana items **or industrial hemp-derived vapor items** are tested.

40 (2) For purposes of this section, the Oregon Liquor Control Commission shall adopt rules es-
41 tablishing:

42 (a) Qualifications to be licensed under this section, including that an applicant for licensure
43 under this section must be accredited by the Oregon Health Authority as described in ORS 475B.565;

44 (b) Processes for applying for and renewing a license under this section;

45 (c) Fees for applying for, receiving and renewing a license under this section; and

1 (d) Procedures for:

2 (A) Tracking usable marijuana, cannabinoid products [*and*], cannabinoid concentrates or ex-
3 tracts **or industrial hemp-derived vapor items** to be tested;

4 (B) Documenting and reporting test results; and

5 (C) Disposing of samples of usable marijuana, cannabinoid products [*and*], cannabinoid concen-
6 trates or extracts **or industrial hemp-derived vapor items** that have been tested.

7 (3) A license issued under this section must be renewed annually.

8 (4) The commission may inspect premises licensed under this section to ensure compliance with
9 ORS 475B.550 to 475B.590 and rules adopted under ORS 475B.550 to 475B.590.

10 (5) Subject to the applicable provisions of ORS chapter 183, the commission may refuse to issue
11 or renew, or may suspend or revoke, a license issued under this section for violation of:

12 (a) A provision of ORS 475B.550 to 475B.590 or a rule adopted under a provision of ORS
13 475B.550 to 475B.590; or

14 (b) A provision of ORS 475B.010 to 475B.545 or a rule adopted under a provision of ORS
15 475B.010 to 475B.545.

16 (6) Fees adopted under subsection (2)(c) of this section must be reasonably calculated to pay the
17 expenses incurred by the commission under ORS 475B.550 to 475B.590.

18 (7) Fee moneys collected under this section shall be deposited in the Marijuana Control and
19 Regulation Fund established under ORS 475B.296 and are continuously appropriated to the commis-
20 sion for the purpose of carrying out the duties, functions and powers of the commission under ORS
21 475B.550 to 475B.590.

22 **SECTION 5.** ORS 475B.565 is amended to read:

23 475B.565. (1) A laboratory that conducts testing of marijuana items **or industrial hemp-derived**
24 **vapor items** as required by ORS 475B.555 must be accredited under ORS 438.605 to 438.620 and
25 meet other qualifications as established by the Oregon Health Authority under this section.

26 (2) In addition to other qualifications required pursuant to ORS 438.605 to 438.620, the authority
27 shall require an applicant for accreditation under ORS 438.605 to 438.620 for purposes related to the
28 testing of marijuana items **or industrial hemp-derived vapor items** to:

29 (a) Complete an application;

30 (b) Undergo an onsite inspection; and

31 (c) Meet other applicable requirements, specifications and guidelines for testing marijuana items
32 **or industrial hemp-derived vapor items**, as determined to be appropriate by the authority by rule.

33 (3) The authority may inspect premises licensed under ORS 475B.560 to ensure compliance with
34 ORS 475B.550 to 475B.590 and rules adopted under ORS 475B.550 to 475B.590.

35 (4) Subject to the applicable provisions of ORS chapter 183, the authority may refuse to issue
36 or renew, or may suspend or revoke, a laboratory's accreditation granted under this section and
37 ORS 438.605 to 438.620 for violation of:

38 (a) A provision of ORS 475B.550 to 475B.590 or a rule adopted under a provision of ORS
39 475B.550 to 475B.590; or

40 (b) A provision of ORS 475B.010 to 475B.545 or a rule adopted under a provision of ORS
41 475B.010 to 475B.545.

42 (5) In establishing fees under ORS 438.620 for laboratories that test marijuana items **or indus-**
43 **trial hemp-derived vapor items**, the authority shall establish fees that are reasonably calculated
44 to pay the expenses incurred by the authority under this section and ORS 438.605 to 438.620 in ac-
45 crediting laboratories that test marijuana items **or industrial hemp-derived vapor items**.

1 **SECTION 6.** Section 7 of this 2021 Act is added to and made a part of ORS 475B.550 to
2 **475B.590.**

3 **SECTION 7.** (1) If a person violates a provision of ORS 475B.550 to 475B.590 or a rule
4 adopted under ORS 475B.550 to 475B.590 with regard to an industrial hemp-derived vapor
5 item:

6 (a) The State Department of Agriculture may impose disciplinary action described in ORS
7 571.285 and impose a civil penalty under ORS 571.348 if the person is a grower or handler
8 registered under ORS 571.281.

9 (b) The Oregon Liquor Control Commission may impose a civil penalty under ORS
10 475B.655 if the person is not a grower or handler registered under ORS 571.281.

11 (2) The commission and the department may adopt rules to carry out this section.

12 **SECTION 8.** ORS 475B.600 is amended to read:

13 475B.600. As used in ORS 475B.600 to 475B.655:

14 (1) “Cannabinoid” means any of the chemical compounds that are the active constituents of
15 marijuana.

16 (2) “Cannabinoid concentrate or extract” means a substance obtained by separating
17 cannabinoids from marijuana by a mechanical, chemical or other process.

18 (3) “Cannabinoid edible” means food or potable liquid into which a cannabinoid concentrate or
19 extract or the dried leaves or flowers of marijuana have been incorporated.

20 (4)(a) “Cannabinoid product” means a cannabinoid edible or any other product intended for hu-
21 man consumption or use, including a product intended to be applied to a person’s skin or hair, that
22 contains cannabinoids or the dried leaves or flowers of marijuana.

23 (b) “Cannabinoid product” does not include:

24 (A) Usable marijuana by itself;

25 (B) A cannabinoid concentrate or extract by itself; or

26 (C) Industrial hemp[, *as defined in ORS 571.269*].

27 (5) “**Industrial hemp**” has the meaning given that term in ORS 571.269.

28 (6) “**Industrial hemp-derived vapor item**” means an industrial hemp concentrate or in-
29 dustrial hemp extract, as those terms are defined in ORS 571.269, whether alone or combined
30 with other substances, that is intended for use in an inhalant delivery system.

31 (7) “**Inhalant delivery system**” has the meaning given that term in ORS 431A.175.

32 [(5)(a)] (8)(a) “Marijuana” means the plant Cannabis family Cannabaceae, any part of the plant
33 Cannabis family Cannabaceae and the seeds of the plant Cannabis family Cannabaceae.

34 (b) “Marijuana” does not include:

35 (A) Industrial hemp[, *as defined in ORS 571.269*]; or

36 (B) Prescription drugs, as that term is defined in ORS 689.005, including those containing one
37 or more cannabinoids, that are approved by the United States Food and Drug Administration and
38 dispensed by a pharmacy, as defined in ORS 689.005.

39 [(6)] (9) “Marijuana item” means marijuana, usable marijuana, a cannabinoid product or a
40 cannabinoid concentrate or extract.

41 [(7)] (10) “Processing” means:

42 (a) The compounding or conversion of marijuana into cannabinoid products or cannabinoid
43 concentrates or extracts.

44 (b) The compounding or conversion of industrial hemp into industrial hemp concentrates
45 or industrial hemp extracts.

1 [(8)] (11) "Producing" means:

2 (a) Planting, cultivating, growing, trimming or harvesting marijuana; or

3 (b) Drying marijuana leaves and flowers.

4 [(9)(a)] (12)(a) "Usable marijuana" means the dried leaves and flowers of marijuana.

5 (b) "Usable marijuana" does not include:

6 (A) The seeds, stalks and roots of marijuana; or

7 (B) Waste material that is a by-product of producing or processing marijuana.

8 **SECTION 9.** ORS 475B.605 is amended to read:

9 475B.605. (1) As is necessary to protect the public health and safety, and in consultation with
10 the Oregon Health Authority and the State Department of Agriculture, the Oregon Liquor Control
11 Commission shall adopt rules establishing standards for the labeling of marijuana items **and**
12 **inhalant delivery systems that contain industrial hemp-derived vapor items**, including but not
13 limited to:

14 (a) Ensuring that usable marijuana, cannabinoid concentrates and extracts, cannabinoid edibles
15 [and], other cannabinoid products **and inhalant delivery systems that contain industrial hemp-**
16 **derived vapor items** have labeling that communicates:

17 (A) Health and safety warnings;

18 (B) If applicable, activation time;

19 (C) Potency;

20 (D) For cannabinoid products and cannabinoid concentrates and extracts, serving size and the
21 number of servings included in a cannabinoid product or cannabinoid concentrate or extract pack-
22 age; and

23 (E) Content of the marijuana item **or inhalant delivery system that contains an industrial**
24 **hemp-derived vapor item**; and

25 (b) Labeling that is in accordance with applicable state food labeling requirements for the same
26 type of food product or potable liquid when the food product or potable liquid does not contain
27 marijuana or cannabinoids.

28 (2) In adopting rules under ORS 475B.785 to 475B.949, the authority shall require all usable
29 marijuana, cannabinoid products and cannabinoid concentrates and extracts transferred by a med-
30 ical marijuana dispensary registered under ORS 475B.858 to be labeled in accordance with sub-
31 section (1) of this section and rules adopted under subsection (1) of this section.

32 (3) In adopting rules under ORS 475B.010 to 475B.545, the commission shall require all usable
33 marijuana, cannabinoid products and cannabinoid concentrates and extracts sold or transferred by
34 a marijuana retailer that holds a license issued under ORS 475B.105 to be labeled in accordance
35 with subsection (1) of this section and rules adopted under subsection (1) of this section.

36 (4) In adopting rules under subsection (1) of this section, the commission:

37 (a) May establish different labeling standards for different varieties of usable marijuana [and],
38 for different types of cannabinoid products and cannabinoid concentrates and extracts **and for**
39 **inhalant delivery systems that contain industrial hemp-derived vapor items**;

40 (b) May establish different minimum labeling standards for persons registered under ORS
41 475B.785 to 475B.949 and persons licensed under ORS 475B.010 to 475B.545;

42 (c) Shall consider the cost of a potential requirement and how that cost will affect the cost to
43 the ultimate consumer of the marijuana item **or inhalant delivery system that contains an in-**
44 **dustrial hemp-derived vapor item**; and

45 (d) May not adopt rules that are more restrictive than is reasonably necessary to protect the

1 public health and safety.

2 **SECTION 10.** ORS 475B.610 is amended to read:

3 475B.610. (1) As used in this section:

4 (a) "Licensee" has the meaning given that term in ORS 475B.015.

5 (b) "Registrant" means a person registered under ORS 475B.785 to 475B.949.

6 (2) The Oregon Liquor Control Commission may by rule require a licensee **or person respon-**
7 **sible for the labeling of an inhalant delivery system that contains an industrial hemp-derived**
8 **vapor item**, and the Oregon Health Authority may by rule require a registrant, to submit a label
9 intended for use on a marijuana item **or an inhalant delivery system that contains an industrial**
10 **hemp-derived vapor item** for preapproval by the commission before the licensee or registrant may
11 sell or transfer a marijuana item **or an inhalant delivery system that contains an industrial**
12 **hemp-derived vapor item** bearing the label. The commission shall determine whether a label sub-
13 mitted under this section complies with ORS 475B.605 and any rule adopted under ORS 475B.605.

14 (3) The commission may impose a fee for submitting a label for preapproval under this section
15 that is reasonably calculated to not exceed the cost of administering this section.

16 **SECTION 11. Section 12 of this 2021 Act is added to and made a part of ORS 475B.600 to**
17 **475B.655.**

18 **SECTION 12. (1) If a person violates a provision of ORS 475B.600 to 475B.655 or a rule**
19 **adopted under ORS 475B.600 to 475B.655 with regard to an industrial hemp-derived vapor**
20 **item:**

21 (a) **The State Department of Agriculture may impose disciplinary action described in ORS**
22 **571.285 and impose a civil penalty under ORS 571.348 if the person is a grower or handler**
23 **registered under ORS 571.281.**

24 (b) **The Oregon Liquor Control Commission may impose a civil penalty under ORS**
25 **475B.655 if the person is not a grower or handler registered under ORS 571.281.**

26 (2) **The commission and the department may adopt rules to carry out this section.**

27 **SECTION 13.** ORS 571.330 is amended to read:

28 571.330. (1) For purposes of this section, "consumption" means [*to ingest, inhale or topically*
29 *apply*] **ingestion, inhalation or topical application** to the skin or hair.

30 (2)(a) A laboratory licensed by the Oregon Liquor Control Commission under ORS 475B.560 and
31 accredited by the Oregon Health Authority pursuant to ORS 475B.565 may test industrial hemp and
32 industrial hemp commodities and products produced or processed by a grower, handler or agricul-
33 tural hemp seed producer registered under ORS 571.281.

34 (b) An accredited independent testing laboratory that has been approved by the authority or the
35 State Department of Agriculture may test industrial hemp and industrial hemp commodities and
36 products produced or processed by a grower, handler or agricultural hemp seed producer registered
37 under ORS 571.281.

38 (3) A grower or handler may not sell or transfer an industrial hemp commodity or product that
39 is intended for human consumption unless the commodity or product is tested by a laboratory de-
40 scribed in subsection (2) of this section to ensure that the commodity or product meets the re-
41 quirements adopted by the Oregon Health Authority under ORS 475B.555 (1)(a) and (b) [*and (2)*] for
42 testing marijuana items **and industrial hemp-derived vapor items and ORS 475B.555 (2) for**
43 **testing cannabinoid edibles.**

44 (4) **Industrial hemp commodities or products that are intended for use in an inhalant**
45 **delivery system, as defined in ORS 431A.175, must meet the requirements of ORS 475B.550**

1 to 475B.590 and 475B.600 to 475B.655 that apply to industrial hemp-derived vapor items as
2 defined in ORS 475B.550 and 475B.600.

3 [(4)] (5) For purposes of this section, the department shall adopt rules:

4 (a) Establishing protocols for the testing of industrial hemp commodities and products; and

5 (b) Establishing procedures for determining batch sizes and for sampling industrial hemp com-
6 modities and products.

7 [(5)] (6) This section does not apply to:

8 (a) Agricultural hemp seed;

9 (b) Seeds of the plant genus Cannabis within the plant family Cannabaceae that are incapable
10 of germination;

11 (c) Products derived from seeds described in paragraph (b) of this subsection; or

12 (d) Other parts of industrial hemp that the department identifies by rule as exempt.

13 **SECTION 14.** Sections 7 and 12 of this 2021 Act and the amendments to ORS 475B.025,
14 475B.550, 475B.555, 475B.560, 475B.565, 475B.600, 475B.605, 475B.610 and 571.330 by sections 1
15 to 5, 8 to 10 and 13 of this 2021 Act apply to inhalant delivery systems sold or transferred
16 on or after the operative date specified in section 15 of this 2021 Act and to industrial
17 hemp-derived vapor items processed on or after the operative date specified in section 15 of
18 this 2021 Act.

19 **SECTION 15.** (1) Sections 7 and 12 of this 2021 Act and the amendments to ORS 475B.025,
20 475B.550, 475B.555, 475B.560, 475B.565, 475B.600, 475B.605, 475B.610 and 571.330 by sections 1
21 to 5, 8 to 10 and 13 of this 2021 Act become operative on January 1, 2022.

22 (2) The Oregon Liquor Control Commission and the State Department of Agriculture may
23 take any action before the operative date specified in subsection (1) of this section that is
24 necessary to enable the commission and department to exercise, on and after the operative
25 date specified in subsection (1) of this section, all of the duties, functions and powers con-
26 ferred on the commission and department by sections 7 and 12 of this 2021 Act and the
27 amendments to ORS 475B.025, 475B.550, 475B.555, 475B.560, 475B.565, 475B.600, 475B.605,
28 475B.610 and 571.330 by sections 1 to 5, 8 to 10 and 13 of this 2021 Act.

29 **SECTION 16.** This 2021 Act takes effect on the 91st day after the date on which the 2021
30 regular session of the Eighty-first Legislative Assembly adjourns sine die.

31