

HB 3197-1  
(LC 3478)  
3/9/21 (SCT/ps)

Requested by Representative MARSH

**PROPOSED AMENDMENTS TO  
HOUSE BILL 3197**

1 On page 1 of the printed bill, line 2, after “ORS” delete the rest of the  
2 line and delete lines 3 and 4 and insert “475B.015, 475B.115, 475B.261,  
3 475B.266, 475B.276, 475B.281, 475B.550 and 571.337; and prescribing an effec-  
4 tive date.”.

5 Delete lines 9 through 25 and delete pages 2 through 21 and insert:  
6

7 **“MARIJUANA WORKER PERMITS**

8  
9 **“SECTION 1.** ORS 475B.015 is amended to read:

10 “475B.015. As used in ORS 475B.010 to 475B.545:

11 “(1) ‘Cannabinoid’ means any of the chemical compounds that are the  
12 active constituents derived from marijuana.

13 “(2) ‘Cannabinoid concentrate’ means a substance obtained by separating  
14 cannabinoids from marijuana by:

15 “(a) A mechanical extraction process;

16 “(b) A chemical extraction process using a nonhydrocarbon-based solvent,  
17 such as water, vegetable glycerin, vegetable oils, animal fats, isopropyl al-  
18 cohol or ethanol;

19 “(c) A chemical extraction process using carbon dioxide, provided that the  
20 process does not involve the use of high heat or pressure; or

21 “(d) Any other process identified by the Oregon Liquor Control Commis-

1 sion, in consultation with the Oregon Health Authority, by rule.

2 “(3) ‘Cannabinoid edible’ means food or potable liquid into which a  
3 cannabinoid concentrate, cannabinoid extract or dried marijuana leaves or  
4 flowers have been incorporated.

5 “(4) ‘Cannabinoid extract’ means a substance obtained by separating  
6 cannabinoids from marijuana by:

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

9 “(b) A chemical extraction process using carbon dioxide, if the process  
10 uses high heat or pressure; or

11 “(c) Any other process identified by the commission, in consultation with  
12 the authority, by rule.

13 “(5)(a) ‘Cannabinoid product’ means a cannabinoid edible and any other  
14 product intended for human consumption or use, including a product in-  
15 tended to be applied to the skin or hair, that contains cannabinoids or dried  
16 marijuana leaves or flowers.

17 “(b) ‘Cannabinoid product’ does not include:

18 “(A) Usable marijuana by itself;

19 “(B) A cannabinoid concentrate by itself;

20 “(C) A cannabinoid extract by itself; or

21 “(D) Industrial hemp, as defined in ORS 571.269.

22 “(6) ‘Consumer’ means a person who purchases, acquires, owns, holds or  
23 uses marijuana items other than for the purpose of resale.

24 “(7) ‘Deliver’ means the actual, constructive or attempted transfer from  
25 one person to another of a marijuana item, whether or not there is an agency  
26 relationship.

27 “(8) ‘Designated primary caregiver’ has the meaning given that term in  
28 ORS 475B.791.

29 “(9)(a) ‘Financial consideration’ means value that is given or received ei-  
30 ther directly or indirectly through sales, barter, trade, fees, charges, dues,

1 contributions or donations.

2 “(b) ‘Financial consideration’ does not include marijuana, cannabinoid  
3 products or cannabinoid concentrates that are delivered within the scope of  
4 and in compliance with ORS 475B.301.

5 “(10) ‘Homegrown’ means grown by a person 21 years of age or older for  
6 noncommercial purposes.

7 “(11) ‘Household’ means a housing unit and any place in or around a  
8 housing unit at which the occupants of the housing unit are producing,  
9 processing, possessing or storing homegrown marijuana, cannabinoid pro-  
10 ducts, cannabinoid concentrates or cannabinoid extracts.

11 “(12) ‘Housing unit’ means a house, an apartment or a mobile home, or  
12 a group of rooms or a single room that is occupied as separate living quar-  
13 ters, in which the occupants live and eat separately from any other persons  
14 in the building and that has direct access from the outside of the building  
15 or through a common hall.

16 “(13) ‘Immature marijuana plant’ means a marijuana plant that is not  
17 flowering.

18 “(14) ‘Licensee’ means a person that holds a license issued under ORS  
19 475B.070, 475B.090, 475B.100 or 475B.105.

20 “(15) ‘Licensee representative’ means an owner, director, officer, manager,  
21 employee, agent or other representative of a licensee, to the extent that the  
22 person acts in a representative capacity.

23 “(16)(a) ‘Manufacture’ means producing, propagating, preparing, com-  
24 pounding, converting or processing a marijuana item, either directly or in-  
25 directly, by extracting from substances of natural origin.

26 “(b) ‘Manufacture’ includes any packaging or repackaging of a marijuana  
27 item or the labeling or relabeling of a container containing a marijuana  
28 item.

29 “(17)(a) ‘Marijuana’ means the plant Cannabis family Cannabaceae, any  
30 part of the plant Cannabis family Cannabaceae and marijuana seeds.

1 “(b) ‘Marijuana’ does not include:

2 “(A) Industrial hemp, as defined in ORS 571.269; or

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

7 “(18) ‘Marijuana flowers’ means the flowers of the plant genus Cannabis  
8 within the plant family Cannabaceae.

9 “(19) ‘Marijuana items’ means marijuana, cannabinoid products,  
10 cannabinoid concentrates and cannabinoid extracts.

11 “(20) ‘Marijuana leaves’ means the leaves of the plant genus Cannabis  
12 within the plant family Cannabaceae.

13 “(21) ‘Marijuana processor’ means a person that processes marijuana  
14 items in this state.

15 “(22) ‘Marijuana producer’ means a person that produces marijuana in  
16 this state.

17 “(23) ‘Marijuana retailer’ means a person that sells marijuana items to a  
18 consumer in this state.

19 “(24)(a) ‘Marijuana seeds’ means the seeds of the plant Cannabis family  
20 Cannabaceae.

21 “(b) ‘Marijuana seeds’ does not include the seeds of industrial hemp, as  
22 defined in ORS 571.269.

23 “(25) ‘Marijuana wholesaler’ means a person that purchases marijuana  
24 items in this state for resale to a person other than a consumer.

25 “(26) ‘Mature marijuana plant’ means a marijuana plant that is not an  
26 immature marijuana plant.

27 “(27) ‘Medical grade cannabinoid product, cannabinoid concentrate or  
28 cannabinoid extract’ means a cannabinoid product, cannabinoid concentrate  
29 or cannabinoid extract that has a concentration of tetrahydrocannabinol that  
30 is permitted under ORS 475B.625 in a single serving of the cannabinoid

1 product, cannabinoid concentrate or cannabinoid extract for consumers who  
2 hold a valid registry identification card issued under ORS 475B.797.

3 “(28) ‘Medical purpose’ means a purpose related to using usable  
4 marijuana, cannabinoid products, cannabinoid concentrates or cannabinoid  
5 extracts to mitigate the symptoms or effects of a debilitating medical condi-  
6 tion, as defined in ORS 475B.791.

7 “(29) ‘Noncommercial’ means not dependent or conditioned upon the pro-  
8 vision or receipt of financial consideration.

9 “(30)(a) ‘Premises’ includes the following areas of a location licensed un-  
10 der ORS 475B.010 to 475B.545 **or 475B.560**:

11 “(A) All public and private enclosed areas at the location that are used  
12 in the business operated at the location, including offices, kitchens, rest  
13 rooms and storerooms;

14 “(B) All areas outside a building that the commission has specifically li-  
15 censed for the processing, wholesale sale [*or*], retail sale **or testing** of  
16 marijuana items; and

17 “(C) For a location that the commission has specifically licensed for the  
18 production of marijuana outside a building, that portion of the location used  
19 to produce marijuana.

20 “(b) ‘Premises’ does not include a primary residence.

21 “(31)(a) ‘Processes’ means the processing, compounding or conversion of  
22 marijuana into cannabinoid products, cannabinoid concentrates or  
23 cannabinoid extracts.

24 “(b) ‘Processes’ does not include packaging or labeling.

25 “(32)(a) ‘Produces’ means the manufacture, planting, cultivation, growing  
26 or harvesting of marijuana.

27 “(b) ‘Produces’ does not include:

28 “(A) The drying of marijuana by a marijuana processor, if the marijuana  
29 processor is not otherwise producing marijuana; or

30 “(B) The cultivation and growing of an immature marijuana plant by a

1 marijuana processor, marijuana wholesaler or marijuana retailer if the  
2 marijuana processor, marijuana wholesaler or marijuana retailer purchased  
3 or otherwise received the plant from a licensed marijuana producer.

4 “(33) ‘Propagate’ means to grow immature marijuana plants or to breed  
5 or produce marijuana seeds.

6 “(34) ‘Public place’ means a place to which the general public has access  
7 and includes, but is not limited to, hallways, lobbies and other parts of  
8 apartment houses and hotels not constituting rooms or apartments designed  
9 for actual residence, and highways, streets, schools, places of amusement,  
10 parks, playgrounds and areas used in connection with public passenger  
11 transportation.

12 “(35) ‘Registry identification cardholder’ has the meaning given that term  
13 in ORS 475B.791.

14 “(36)(a) ‘Usable marijuana’ means the dried leaves and flowers of  
15 marijuana.

16 “(b) ‘Usable marijuana’ does not include:

17 “(A) Marijuana seeds;

18 “(B) The stalks and roots of marijuana; or

19 “(C) Waste material that is a by-product of producing or processing  
20 marijuana.

21 **“SECTION 2.** ORS 475B.261 is amended to read:

22 “475B.261. (1) An individual who performs work for or on behalf of a  
23 licensee **or a laboratory licensed under ORS 475B.560** must have a valid  
24 permit issued by the Oregon Liquor Control Commission under ORS 475B.266  
25 if the individual participates in:

26 “(a) The possession, production, propagation, processing, securing [*or*],  
27 selling, **sampling or testing** of marijuana items at the premises for which  
28 the license has been issued;

29 “(b) The recording of the possession, production, propagation, processing,  
30 securing [*or*], selling, **sampling or testing** of marijuana items at the prem-

1 ises for which the license has been issued; or

2 “(c) The verification of any document described in ORS 475B.216.

3 “(2)(a) **An applicant for a permit under ORS 475B.266 who has suc-**  
4 **cessfully passed a permit examination required by the commission may**  
5 **perform work described in subsection (1) of this section on behalf of**  
6 **a licensee or a laboratory licensed under ORS 475B.560 for a period of**  
7 **time established by the commission by rule prior to being issued a**  
8 **permit under ORS 475B.266.**

9 “(b) A licensee **or a laboratory licensed under ORS 475B.560** must  
10 verify that an individual has a valid permit issued under ORS 475B.266 be-  
11 fore allowing the individual to [*perform any*] **continue** work described in  
12 subsection (1) of this section at the premises for which the license has been  
13 issued **after the period of time described in paragraph (a) of this sub-**  
14 **section.**

15 “**SECTION 3.** ORS 475B.266 is amended to read:

16 “475B.266. (1) The Oregon Liquor Control Commission shall issue permits  
17 to qualified applicants to perform work described in ORS 475B.261. The  
18 commission shall adopt rules establishing:

19 “(a) The qualifications for performing work described in ORS 475B.261;

20 “(b) The term of a permit issued under this section;

21 “(c) Procedures for applying for and renewing a permit issued under this  
22 section; and

23 “(d) Reasonable application, issuance and renewal fees for a permit issued  
24 under this section.

25 “(2)(a) The commission may require an individual applying for a permit  
26 under this section to successfully complete a course, made available by or  
27 through the commission, through which the individual receives training on:

28 “(A) Checking identification;

29 “(B) Detecting intoxication;

30 “(C) Handling marijuana items;

1 “(D) If applicable, producing and propagating marijuana;

2 “(E) If applicable, processing marijuana;

3 “(F) **If applicable, testing marijuana;**

4 “[*F*] (G) The content of ORS 475B.010 to 475B.545 and rules adopted  
5 under ORS 475B.010 to 475B.545 **and, if applicable, the content of ORS**  
6 **475B.550 to 475B.590 and rules adopted under ORS 475B.550 to 475B.590;**  
7 or

8 “[*G*] (H) Any matter deemed necessary by the commission to protect the  
9 public health and safety.

10 “(b) The commission or other provider of a course may charge a reason-  
11 able fee for the course.

12 “(c) The commission may not require an individual to successfully com-  
13 plete a course more than once, except that:

14 “(A) As part of a final order suspending a permit issued under this sec-  
15 tion, the commission may require a permit holder to successfully complete  
16 the course as a condition of lifting the suspension; and

17 “(B) As part of a final order revoking a permit issued under this section,  
18 the commission shall require an individual to successfully complete the  
19 course prior to applying for a new permit.

20 “(3) The commission shall conduct a criminal records check under ORS  
21 181A.195 on an individual applying for a permit under this section.

22 “(4) Subject to the applicable provisions of ORS chapter 183, the com-  
23 mission may suspend, revoke or refuse to issue or renew a permit if the in-  
24 dividual who is applying for or who holds the permit:

25 “(a) Is convicted of a felony or is convicted of an offense under ORS  
26 475B.010 to 475B.545, except that the commission may not consider a con-  
27 viction for an offense under ORS 475B.010 to 475B.545 if the date of the  
28 conviction is two or more years before the date of the application or renewal;

29 “(b) Violates any provision of ORS 475B.010 to 475B.545 or any rule  
30 adopted under ORS 475B.010 to 475B.545; or



1 “(c) Makes a false statement to the commission.

2 “(5) A permit issued under this section is a personal privilege and permits  
3 work described under ORS 475B.261 only for the individual who holds the  
4 permit.

5 **“SECTION 4.** ORS 475B.276 is amended to read:

6 “475B.276. (1) An employee of a licensee **or a laboratory licensed under**  
7 **ORS 475B.560** has the right to form, join and participate in the activities  
8 of a labor organization of the employee’s own choosing for the purpose of  
9 securing representation and collective bargaining for matters concerning  
10 employment relations with the licensee **or laboratory**.

11 “(2) For purposes of this section, the provisions of ORS chapters 661 to  
12 663 apply to relations between employees of licensees **or laboratories** and  
13 employers that are licensees **or laboratories** in the same manner that those  
14 provisions apply to other employment relations.

15 **“SECTION 5.** ORS 475B.281 is amended to read:

16 “475B.281. (1) It is an unlawful employment practice for a licensee **or**  
17 **laboratory licensed under ORS 475B.560** to discharge, demote, suspend or  
18 in any manner discriminate or retaliate against an employee of the licensee  
19 **or laboratory** with regard to promotion, compensation or other terms, con-  
20 ditions or privileges of employment on the basis that the employee has in  
21 good faith reported information to the Oregon Liquor Control Commission  
22 that the employee believes is evidence of a violation of ORS 475B.010 to  
23 475B.545 or a rule adopted under ORS 475B.010 to 475B.545.

24 “(2) This section is subject to enforcement under ORS chapter 659A.

25 **“SECTION 6.** ORS 475B.550 is amended to read:

26 “475B.550. As used in ORS 475B.550 to 475B.590:

27 “(1) ‘Cannabinoid’ means any of the chemical compounds that are the  
28 active constituents of marijuana.

29 “(2) ‘Cannabinoid concentrate or extract’ means a substance obtained by  
30 separating cannabinoids from marijuana by a mechanical, chemical or other

1 process.

2 “(3) ‘Cannabinoid edible’ means food or potable liquid into which a  
3 cannabinoid concentrate or extract or the dried leaves or flowers of  
4 marijuana have been incorporated.

5 “(4)(a) ‘Cannabinoid product’ means a cannabinoid edible or any other  
6 product intended for human consumption or use, including a product in-  
7 tended to be applied to a person’s skin or hair, that contains cannabinoids  
8 or the dried leaves or flowers of marijuana.

9 “(b) ‘Cannabinoid product’ does not include:

10 “(A) Usable marijuana by itself;

11 “(B) A cannabinoid concentrate or extract by itself; or

12 “(C) Industrial hemp, as defined in ORS 571.269.

13 “(5)(a) ‘Marijuana’ means the plant Cannabis family Cannabaceae, any  
14 part of the plant Cannabis family Cannabaceae and the seeds of the plant  
15 Cannabis family Cannabaceae.

16 “(b) ‘Marijuana’ does not include:

17 “(A) Industrial hemp, as defined in ORS 571.269; or

18 “(B) Prescription drugs, as that term is defined in ORS 689.005, including  
19 those containing one or more cannabinoids, that are approved by the United  
20 States Food and Drug Administration and dispensed by a pharmacy, as de-  
21 fined in ORS 689.005.

22 “(6) ‘Marijuana item’ means marijuana, usable marijuana, a cannabinoid  
23 product or a cannabinoid concentrate or extract.

24 “(7) **‘Premises’ has the meaning given that term in ORS 475B.015.**

25 “[7] (8) ‘Processing’ means the compounding or conversion of marijuana  
26 into cannabinoid products or cannabinoid concentrates or extracts.

27 “[8] (9) ‘Producing’ means:

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

29 “(b) Drying marijuana leaves and flowers.

30 “[9](a) (10)(a) ‘Usable marijuana’ means the dried leaves and flowers of

1 marijuana.

2 “(b) ‘Usable marijuana’ does not include:

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

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

6 **“SECTION 7. (1) The amendments to ORS 475B.015, 475B.261,  
7 475B.266, 475B.276, 475B.281 and 475B.550 by sections 1 to 6 of this 2021  
8 Act become operative on January 1, 2022.**

9 **“(2) The Oregon Liquor Control Commission may take any action  
10 before the operative date specified in subsection (1) of this section that  
11 is necessary to enable the commission to exercise, on and after the  
12 operative date specified in subsection (1) of this section, all of the du-  
13 ties, functions and powers conferred on the commission by the  
14 amendments to ORS 475B.015, 475B.261, 475B.266, 475B.276, 475B.281 and  
15 475B.550 by sections 1 to 6 of this 2021 Act.**

16

17 **“MARIJUANA RETAILERS**

18

19 **“SECTION 8. ORS 475B.115 is amended to read:**

20 **“475B.115. (1) If a school described in ORS 475B.105 (2)(d) that has not  
21 previously been attended by children is established within 1,000 feet of a  
22 premises for which a license has been issued under ORS 475B.105, the  
23 marijuana retailer located at that premises may remain at that location un-  
24 less the Oregon Liquor Control Commission revokes the license of the  
25 marijuana retailer under ORS 475B.256.**

26 **“(2)(a) If the commission issues a license for a premises under ORS  
27 475B.105 and, after issuance, the commission becomes aware that a  
28 school is located within 1,000 feet of the premises, the commission may  
29 allow the licensee to relocate to a premises that is not within 1,000 feet  
30 of the school without applying for and being issued a new license un-**

1 der ORS 475B.105.

2 “(b) The commission may adopt rules to carry out this subsection.

3  
4 “INDUSTRIAL HEMP

5  
6 “SECTION 9. Section 10 of this 2021 Act is added to and made a part  
7 of ORS 571.260 to 571.348.

8 “SECTION 10. (1) As used in this section:

9 “(a) ‘Consumption’ has the meaning given that term in ORS 571.330.

10 “(b) ‘Licensee’ has the meaning given that term in ORS 475B.015.

11 “(c) ‘Processor’ means a person licensed under ORS 475B.090.

12 “(2) A processor that is registered by the Oregon Liquor Control  
13 Commission under ORS 571.336 may receive industrial hemp, or an  
14 industrial hemp commodity or product that contains cannabinoids and  
15 is intended for human consumption, from a grower or handler regis-  
16 tered under ORS 571.281 and may transfer, sell or transport the in-  
17 dustrial hemp, commodity or product to a person that is not a licensee  
18 if the industrial hemp, commodity or product:

19 “(a) Meets the requirements for marijuana items under ORS  
20 475B.010 to 475B.545, 475B.550 to 475B.590 and 475B.600 to 475B.655 and  
21 rules adopted by the commission;

22 “(b) Is entered into the tracking system developed under ORS  
23 475B.177 before the industrial hemp, commodity or product is trans-  
24 ferred to a laboratory described in ORS 571.330 (2) for testing of a type  
25 described under ORS 475B.755; and

26 “(c) Prior to the sale, transfer or transport, is held by the processor  
27 for the duration and in the manner required by the commission by  
28 rule.

29 “(3) The commission may adopt rules to carry out this section, in-  
30 cluding but not limited to rules providing for inspection of industrial

1 **hemp, commodities or products described in subsection (2) of this**  
2 **section.**

3 **“SECTION 11.** ORS 571.337 is amended to read:

4 “571.337. (1) As used in this section:

5 “(a) ‘Consumption’ has the meaning given that term in ORS 571.330.

6 “(b) ‘Processor’ means a person licensed under ORS 475B.090.

7 “(c) ‘Retailer’ means a person licensed under ORS 475B.105.

8 “(d) ‘Wholesaler’ means a person licensed under ORS 475B.100.

9 “(2) Except as provided in ORS 571.341 **and section 10 of this 2021 Act,**  
10 a processor, retailer or wholesaler may purchase, receive, transfer, sell or  
11 transport industrial hemp, or an industrial hemp commodity or product that  
12 contains cannabinoids and is intended for human consumption, only if:

13 “(a) The processor, retailer or wholesaler received the hemp, commodity  
14 or product from a grower or handler registered under ORS 571.281 or a  
15 processor;

16 “(b) The grower, handler or processor under paragraph (a) of this sub-  
17 section is registered by the Oregon Liquor Control Commission as provided  
18 under ORS 571.336; and

19 “(c) The hemp, commodity or product meets the requirements for  
20 marijuana items under ORS 475B.010 to 475B.545, 475B.550 to 475B.590 and  
21 475B.600 to 475B.655 and rules adopted by the commission.

22 “(3) A grower, handler or processor registered as described under ORS  
23 571.336 (2)(a) shall enter hemp, commodity or product that contains  
24 cannabinoids, is intended for human consumption and is intended for trans-  
25 fer, sale or transport to a processor, retailer or wholesaler licensed under  
26 ORS 475B.010 to 475B.545 into the tracking system described in ORS 475B.177  
27 before the hemp, commodity or product is transferred to a laboratory de-  
28 scribed in ORS 571.330 (2) for testing of a type described under ORS 475B.555.  
29 The commission shall continue to track the hemp, commodity or product  
30 entered into the system under this subsection when the hemp, commodity or

1 product is transferred, sold or transported to a premises licensed under ORS  
2 475B.010 to 475B.545, or to other areas under the control of the premises  
3 licensee.

4 “(4) The State Department of Agriculture shall adopt rules regarding the  
5 activities of growers and handlers under this section.

6 “(5) The commission shall adopt rules regarding the activities of process-  
7 ors, retailers, wholesalers and laboratories under this section.

8 **“SECTION 12. (1) Section 10 of this 2021 Act and the amendments**  
9 **to ORS 571.337 by section 11 of this 2021 Act become operative on**  
10 **January 1, 2022.**

11 **“(2) The Oregon Liquor Control Commission may take any action**  
12 **before the operative date specified in subsection (1) of this section that**  
13 **is necessary to enable the commission to exercise, on and after the**  
14 **operative date specified in subsection (1) of this section, all of the du-**  
15 **ties, functions and powers conferred on the commission by section 10**  
16 **of this 2021 Act and the amendments to ORS 571.337 by section 11 of**  
17 **this 2021 Act.**

18

19

#### “CAPTIONS

20

21 **“SECTION 13. The unit captions used in this 2021 Act are provided**  
22 **only for the convenience of the reader and do not become part of the**  
23 **statutory law of this state or express any legislative intent in the**  
24 **enactment of this 2021 Act.**

25

26

#### “EFFECTIVE DATE

27

28 **“SECTION 14. This 2021 Act takes effect on the 91st day after the**  
29 **date on which the 2021 regular session of the Eighty-first Legislative**  
30 **Assembly adjourns sine die.”.**

