

Requested by Representative WILDE

**PROPOSED AMENDMENTS TO
HOUSE BILL 3000**

1 In line 2 of the printed bill, after the semicolon insert “creating new
2 provisions; amending ORS 475B.015, 475B.025, 475B.090, 475B.211, 475B.227,
3 475B.254, 475B.529, 475B.550, 475B.600, 475B.625, 571.260, 571.263, 571.269,
4 571.272, 571.281, 571.285, 51.288, 571.294, 571.302, 571.327, 571.330, 571.336,
5 571.337, 571.339, 571.341 and 571.345;”.

6 Delete lines 4 through 10 and insert:
7

8 **“STATUTES RELATED TO MARIJUANA**

9

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

11 **“475B.015.** As used in ORS 475B.010 to 475B.545:

12 **“(1)(a) ‘Adult use cannabis item’ means:**

13 **“(A) An item derived from the plant Cannabis family Cannabaceae**
14 **that contains tetrahydrocannabinol;**

15 **“(B) A marijuana item; or**

16 **“(C) An industrial hemp commodity or product that exceeds:**

17 **“(i) The concentration of tetrahydrocannabinol established by the**
18 **Oregon Liquor Control Commission, in consultation with the Oregon**
19 **Health Authority, by rule; or**

20 **“(ii) The greater of:**

21 **“(I) A concentration of more than 0.3 percent tetrahydrocannabinol;**

1 or

2 “(II) The concentration of tetrahydrocannabinol allowed under fed-
3 eral law.

4 “(b) ‘Adult use cannabis item’ does not include an industrial hemp
5 commodity or product that:

6 “(A) Contains the greater of:

7 “(i) A concentration of tetrahydrocannabinol less than or equal to
8 0.3 percent; or

9 “(ii) Less than or equal to the concentration of
10 tetrahydrocannabinol allowed under federal law; and

11 “(B) Does not exceed the concentration of tetrahydrocannabinol
12 established by the commission, in consultation with the authority, by
13 rule.

14 “(2) ‘Artificially derived cannabinoid’ means a chemical compound
15 that is created by chemical reaction with any chemical compound de-
16 rived from the plant Cannabis family Cannabaceae.

17 “[1] (3) ‘Cannabinoid’ means any of the chemical compounds that are the
18 active constituents derived from marijuana.

19 “[2] (4) ‘Cannabinoid concentrate’ means a substance obtained by sepa-
20 rating cannabinoids from marijuana by:

21 “(a) A mechanical extraction process;

22 “(b) A chemical extraction process using a nonhydrocarbon-based solvent,
23 such as water, vegetable glycerin, vegetable oils, animal fats, isopropyl al-
24 cohohol or ethanol;

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

27 “(d) Any other process identified by the [*Oregon Liquor Control*] commis-
28 sion, in consultation with the [*Oregon Health*] authority, by rule.

29 “[3] (5) ‘Cannabinoid edible’ means food or potable liquid into which a
30 cannabinoid concentrate, cannabinoid extract or dried marijuana leaves or

1 flowers have been incorporated.

2 “[4] (6) ‘Cannabinoid extract’ means a substance obtained by separating
3 cannabinoids from marijuana by:

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

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

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

10 “[5)(a)] (7)(a) ‘Cannabinoid product’ means a cannabinoid edible and any
11 other product intended for human consumption or use, including a product
12 intended to be applied to the skin or hair, that contains cannabinoids or
13 dried marijuana leaves or flowers.

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

15 “(A) Usable marijuana by itself;

16 “(B) A cannabinoid concentrate by itself;

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

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

19 “[6] (8) ‘Consumer’ means a person who purchases, acquires, owns, holds
20 or uses marijuana items other than for the purpose of resale.

21 “[7] (9) ‘Deliver’ means the actual, constructive or attempted transfer
22 from one person to another of a marijuana item, whether or not there is an
23 agency relationship.

24 “[8] (10) ‘Designated primary caregiver’ has the meaning given that term
25 in ORS 475B.791.

26 “[9)(a)] (11)(a) ‘Financial consideration’ means value that is given or
27 received either directly or indirectly through sales, barter, trade, fees,
28 charges, dues, contributions or donations.

29 “(b) ‘Financial consideration’ does not include marijuana, cannabinoid
30 products or cannabinoid concentrates that are delivered within the scope of

1 and in compliance with ORS 475B.301.

2 “[~~(10)~~] **(12)** ‘Homegrown’ means grown by a person 21 years of age or older
3 for noncommercial purposes.

4 “[~~(11)~~] **(13)** ‘Household’ means a housing unit and any place in or around
5 a housing unit at which the occupants of the housing unit are producing,
6 processing, possessing or storing homegrown marijuana, cannabinoid pro-
7 ducts, cannabinoid concentrates or cannabinoid extracts.

8 “[~~(12)~~] **(14)** ‘Housing unit’ means a house, an apartment or a mobile home,
9 or a group of rooms or a single room that is occupied as separate living
10 quarters, in which the occupants live and eat separately from any other
11 persons in the building and that has direct access from the outside of the
12 building or through a common hall.

13 “[~~(13)~~] **(15)** ‘Immature marijuana plant’ means a marijuana plant that is
14 not flowering.

15 “**(16) ‘Industrial hemp’ has the meaning given that term in ORS**
16 **571.269.**

17 “[~~(14)~~] **(17)** ‘Licensee’ means a person that holds a license issued under
18 ORS 475B.070, 475B.090, 475B.100 or 475B.105.

19 “[~~(15)~~] **(18)** ‘Licensee representative’ means an owner, director, officer,
20 manager, employee, agent or other representative of a licensee, to the extent
21 that the person acts in a representative capacity.

22 “[~~(16)(a)~~] **(19)(a)** ‘Manufacture’ means producing, propagating, preparing,
23 compounding, converting or processing a marijuana item, either directly or
24 indirectly, by extracting from substances of natural origin.

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

28 “[~~(17)(a)~~] **(20)(a)** ‘Marijuana’ means the plant Cannabis family
29 Cannabaceae, any part of the plant Cannabis family Cannabaceae and
30 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] (21) ‘Marijuana flowers’ means the flowers of the plant genus
8 Cannabis within the plant family Cannabaceae.

9 “[19] (22) ‘Marijuana items’ means marijuana, cannabinoid products,
10 cannabinoid concentrates and cannabinoid extracts.

11 “[20] (23) ‘Marijuana leaves’ means the leaves of the plant genus
12 Cannabis within the plant family Cannabaceae.

13 “[21] (24) ‘Marijuana processor’ means:

14 “(a) A person that processes marijuana items in this state[.]; or

15 “(b) **A person that holds a license issued under ORS 475B.090 and**
16 **processes industrial hemp commodities or products pursuant to ORS**
17 **571.336 or section 17 of this 2021 Act.**

18 “[22] (25) ‘Marijuana producer’ means a person that produces marijuana
19 in this state.

20 “[23] (26) ‘Marijuana retailer’ means a person that sells marijuana items
21 to a consumer in this state.

22 “[24)(a)] (27)(a) ‘Marijuana seeds’ means the seeds of the plant Cannabis
23 family Cannabaceae.

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

26 “[25] (28) ‘Marijuana wholesaler’ means a person that purchases
27 marijuana items in this state for resale to a person other than a consumer.

28 “[26] (29) ‘Mature marijuana plant’ means a marijuana plant that is not
29 an immature marijuana plant.

30 “[27] (30) ‘Medical grade cannabinoid product, cannabinoid concentrate

1 or cannabinoid extract’ means a cannabinoid product, cannabinoid concen-
2 trate or cannabinoid extract that has a concentration of
3 tetrahydrocannabinol that is permitted under ORS 475B.625 in a single
4 serving of the cannabinoid product, cannabinoid concentrate or cannabinoid
5 extract for consumers who hold a valid registry identification card issued
6 under ORS 475B.797.

7 “[28] **(31)** ‘Medical purpose’ means a purpose related to using usable
8 marijuana, cannabinoid products, cannabinoid concentrates or cannabinoid
9 extracts to mitigate the symptoms or effects of a debilitating medical condi-
10 tion, as defined in ORS 475B.791.

11 “[29] **(32)** ‘Noncommercial’ means not dependent or conditioned upon the
12 provision or receipt of financial consideration.

13 “[30)(a)] **(33)(a)** ‘Premises’ includes the following areas of a location li-
14 censed under ORS 475B.010 to 475B.545:

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

18 “(B) All areas outside a building that the commission has specifically li-
19 censed for the processing, wholesale sale or retail sale of marijuana items;
20 and

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

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

25 “[31)(a)] **(34)(a)** ‘Processes’ means the processing, compounding or con-
26 version of:

27 “(A) Marijuana into cannabinoid products, cannabinoid concentrates or
28 cannabinoid extracts[.]; or

29 “(B) **Industrial hemp or industrial hemp commodities or products**
30 **into industrial hemp commodities or products that contain**

1 **cannabinoids and are intended for human consumption or use.**

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

3 “[~~(32)(a)~~] **(35)(a)** ‘Produces’ means the manufacture, planting, cultivation,
4 growing or harvesting of marijuana.

5 “(b) ‘Produces’ does not include:

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

8 “(B) The cultivation and growing of an immature marijuana plant by a
9 marijuana processor, marijuana wholesaler or marijuana retailer if the
10 marijuana processor, marijuana wholesaler or marijuana retailer purchased
11 or otherwise received the plant from a licensed marijuana producer.

12 “[~~(33)~~] **(36)** ‘Propagate’ means to grow immature marijuana plants or to
13 breed or produce marijuana seeds.

14 “[~~(34)~~] **(37)** ‘Public place’ means a place to which the general public has
15 access and includes, but is not limited to, hallways, lobbies and other parts
16 of apartment houses and hotels not constituting rooms or apartments de-
17 signed for actual residence, and highways, streets, schools, places of
18 amusement, parks, playgrounds and areas used in connection with public
19 passenger transportation.

20 “[~~(35)~~] **(38)** ‘Registry identification cardholder’ has the meaning given that
21 term in ORS 475B.791.

22 “**(39) ‘Tetrahydrocannabinol’ includes all tetrahydrocannabinols**
23 **that are artificially or naturally derived, including but not limited to**
24 **Delta-8 tetrahydrocannabinol and Delta-9 tetrahydrocannabinol and**
25 **the optical isomers of Delta-8 or Delta-9 tetrahydrocannabinol, and**
26 **any artificially derived cannabinoid that is reasonably determined to**
27 **have an intoxicating effect.**

28 “[~~(36)(a)~~] **(40)(a)** ‘Usable marijuana’ means the dried leaves and flowers
29 of marijuana.

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

- 1 “(A) Marijuana seeds;
- 2 “(B) The stalks and roots of marijuana; or
- 3 “(C) Waste material that is a by-product of producing or processing
- 4 marijuana.

5 **“SECTION 2.** ORS 475B.025 is amended to read:

6 “475B.025. (1) The Oregon Liquor Control Commission has the duties,

7 functions and powers specified in ORS 475B.010 to 475B.545 and the powers

8 necessary or proper to enable the commission to carry out the commission’s

9 duties, functions and powers under ORS 475B.010 to 475B.545. The jurisdic-

10 tion, supervision, duties, functions and powers of the commission extend to

11 any person that produces, processes, transports, delivers, sells or purchases

12 a marijuana item in this state. The commission may sue and be sued.

13 “(2) The duties, functions and powers of the commission specified in ORS

14 475B.010 to 475B.545 include the following:

15 “(a) To regulate the production, processing, transportation, delivery, sale

16 and purchase of marijuana items in accordance with the provisions of ORS

17 475B.010 to 475B.545.

18 “(b) To issue, renew, suspend, revoke or refuse to issue or renew licenses

19 for the production, processing or sale of marijuana items, or other licenses

20 related to the consumption of marijuana items, and to permit, in the

21 commission’s discretion, the transfer of a license between persons.

22 “(c) To adopt, amend or repeal rules as necessary to carry out the intent

23 and provisions of ORS 475B.010 to 475B.545, including rules that the com-

24 mission considers necessary to protect the public health and safety.

25 “(d) To exercise all powers incidental, convenient or necessary to enable

26 the commission to administer or carry out the provisions of ORS 475B.010

27 to 475B.545 or any other law of this state that charges the commission with

28 a duty, function or power related to marijuana. Powers described in this

29 paragraph include, but are not limited to:

- 30 “(A) Issuing subpoenas;

1 “(B) Compelling the attendance of witnesses;
2 “(C) Administering oaths;
3 “(D) Certifying official acts;
4 “(E) Taking depositions as provided by law;
5 “(F) Compelling the production of books, payrolls, accounts, papers, re-
6 cords, documents and testimony; and
7 “(G) Establishing fees in addition to the application, licensing and re-
8 newal fees described in ORS 475B.070, 475B.090, 475B.100 and 475B.105, pro-
9 vided that any fee established by the commission is reasonably calculated
10 not to exceed the cost of the activity for which the fee is charged.
11 “(e) To adopt rules regulating and prohibiting advertising marijuana
12 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
17 safety.
18 “(f) To regulate the use of marijuana items for other purposes as deemed
19 necessary or appropriate by the commission.
20 “(g) To establish pilot programs, of not more than three years in duration,
21 to expand access to marijuana for medical use for registry identification
22 cardholders and designated primary caregivers, as defined in ORS 475B.791.
23 “(h) **To regulate the processing, transportation, delivery, sale and**
24 **purchase of artificially derived cannabinoids in accordance with the**
25 **provisions of ORS 475B.010 to 475B.545.**
26 “(3) Fees collected pursuant to subsection (2)(d)(G) of this section shall
27 be deposited in the Marijuana Control and Regulation Fund established un-
28 der ORS 475B.296.
29 “**SECTION 3.** ORS 475B.090 is amended to read:
30 “475B.090. (1) The processing of marijuana items is subject to regulation

1 by the Oregon Liquor Control Commission.

2 “(2) A marijuana processor must have a processor license issued by the
3 commission for the premises at which marijuana items **or industrial hemp**
4 **commodities or products** are processed. To hold a processor license under
5 this section, a marijuana processor:

6 “(a) Must apply for a license in the manner described in ORS 475B.040;

7 “(b) Must provide proof that the applicant is 21 years of age or older;

8 “(c) If the marijuana processor processes marijuana extracts[,] **or indus-**
9 **trial hemp extracts, as defined in ORS 571.269**, may not be located in an
10 area zoned exclusively for residential use; and

11 “(d) Must meet the requirements of any rule adopted by the commission
12 under subsection (3) of this section.

13 “(3) The commission shall adopt rules that:

14 “(a) Require a marijuana processor to annually renew a license issued
15 under this section;

16 “(b) Establish application, licensure and renewal of licensure fees for
17 marijuana processors;

18 “(c) Require marijuana processed by a marijuana processor to be tested
19 in accordance with ORS 475B.555;

20 “(d) **Require industrial hemp commodities and products processed**
21 **by a marijuana processor to meet any requirements for industrial**
22 **hemp commodities or products established under ORS 571.260 to 571.348**
23 **or rules adopted under ORS 571.260 to 571.348;**

24 “[*d*] (e) Allow a marijuana processor registered under ORS 475B.139 to
25 process marijuana and usable marijuana into medical grade cannabinoid
26 products, cannabinoid concentrates and cannabinoid extracts in the same
27 manner that rules adopted under ORS 475B.010 to 475B.545 allow a
28 marijuana processor to process marijuana and usable marijuana into general
29 use cannabinoid products, cannabinoid concentrates and cannabinoid ex-
30 tracts, excepting those circumstances where differentiating between the pro-

1 censing of medical grade cannabinoid products, cannabinoid concentrates and
2 cannabinoid extracts and the processing of general use cannabinoid products,
3 cannabinoid concentrates and cannabinoid extracts is necessary to protect
4 the public health and safety; and

5 “[*e*] (f) Require a marijuana processor to meet any public health and
6 safety standards and industry best practices established by the commission
7 by rule related to:

8 “(A) Cannabinoid edibles;

9 “(B) Cannabinoid concentrates;

10 “(C) Cannabinoid extracts; and

11 “(D) Any other type of cannabinoid product **or industrial hemp com-**
12 **modity or product** identified by the commission by rule.

13 “(4) Fees adopted under subsection (3)(b) of this section:

14 “(a) May not exceed, together with other fees collected under ORS
15 475B.010 to 475B.545, the cost of administering ORS 475B.010 to 475B.545; and

16 “(b) Shall be deposited in the Marijuana Control and Regulation Fund
17 established under ORS 475B.296.

18 “**SECTION 4.** ORS 475B.211 is amended to read:

19 “475B.211. Except for a marijuana retailer registered under ORS 475B.146
20 to sell or deliver marijuana items to a registry identification cardholder who
21 is 18 years of age or older, a licensee or licensee representative may not sell
22 or deliver [*a marijuana item*] **an adult use cannabis item** to a person under
23 21 years of age.

24 “**SECTION 5.** ORS 475B.227 is amended to read:

25 “475B.227. (1) For purposes of this section:

26 “(a) ‘Export’ includes placing a marijuana item in any mode of transpor-
27 tation for hire, such as luggage, mail or parcel delivery, even if the trans-
28 portation of the marijuana item is intercepted prior to the marijuana item
29 leaving this state.

30 “(b) ‘Marijuana item’ includes **an** industrial hemp [*products and com-*

1 *modities*] **commodity or product** that [*contain more than 0.3 percent*
2 *tetrahydrocannabinol.*] **exceeds:**

3 **“(A) The concentration of tetrahydrocannabinol established by the**
4 **Oregon Liquor Control Commission, in consultation with the Oregon**
5 **Health Authority, by rule; or**

6 **“(B) The greater of:**

7 **“(i) A concentration of 0.3 percent tetrahydrocannabinol; or**

8 **“(ii) The concentration of tetrahydrocannabinol allowed under fed-**
9 **eral law.**

10 **“(2) A person may not import marijuana items into this state or export**
11 **marijuana items from this state.**

12 **“(3) [*Except as provided in subsection (4) of this section,*] A violation of**
13 **this section is a Class B violation[.], **except:****

14 **“(a) As provided in subsection (4) of this section; or**

15 **“(b) If the item is industrial hemp and does not exceed a**
16 **tetrahydrocannabinol concentration of one percent.**

17 **“(4) A violation of this section is a:**

18 **“(a) Class A misdemeanor, if the importation or exportation:**

19 **“(A) Is not for consideration and the person holds a license issued under**
20 **ORS 475B.070, 475B.090, 475B.100 or 475B.105; or**

21 **“(B) Concerns an amount of marijuana items that exceeds the applicable**
22 **maximum amount specified in ORS 475B.337 (1)(a) to (f).**

23 **“(b) Class C felony, if the importation or exportation:**

24 **“(A) Is for consideration and the person holds a license issued under ORS**
25 **475B.070, 475B.090, 475B.100 or 475B.105;**

26 **“(B) Concerns an amount of marijuana items that exceeds 16 times the**
27 **applicable maximum amount specified in ORS 475B.337 (1)(a) to (f); or**

28 **“(C) Concerns a cannabinoid extract that was not purchased from a**
29 **marijuana retailer that holds a license issued under ORS 475B.105.**

30 **“SECTION 6. ORS 475B.254 is amended to read:**

1 “475B.254. (1) As used in this section:

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

4 “(b) ‘Marijuana item’ includes [*industrial hemp products and*
5 *commodities*] **an industrial hemp commodity or product** that [*contain*
6 *more than 0.3 percent tetrahydrocannabinol.*] **exceeds:**

7 **“(A) The concentration of tetrahydrocannabinol established by the**
8 **Oregon Liquor Control Commission, in consultation with the Oregon**
9 **Health Authority, by rule; or**

10 **“(B) The greater of:**

11 **“(i) A concentration of 0.3 percent tetrahydrocannabinol; or**

12 **“(ii) The concentration of tetrahydrocannabinol allowed under fed-**
13 **eral law.**

14 “(2) A person other than a marijuana retailer that holds a license issued
15 under ORS 475B.105 may not sell marijuana items to a consumer.

16 **“SECTION 7.** ORS 475B.529 is amended to read:

17 “475B.529. (1) Notwithstanding the authority granted to the State De-
18 partment of Agriculture under ORS chapters 571, 618 and 633 and ORS
19 632.275 to 632.290, 632.450 to 632.490, 632.516 to 632.625, 632.705 to 632.815,
20 632.835 to 632.850 and 632.900 to 632.985, the department may not exercise
21 authority over marijuana items or a licensee, except that ORS 618.121 to
22 618.161, 618.991, 618.995, 633.311 to 633.479, 633.992 and 633.994 apply to
23 marijuana items or to a licensee.

24 “(2) In exercising its authority under ORS chapter 616, the department
25 may not:

26 “(a) Establish standards for marijuana as a food additive, as defined in
27 ORS 616.205;

28 “(b) Consider marijuana to be an adulterant, unless the concentration of
29 a cannabinoid in a cannabinoid product, cannabinoid concentrate or
30 cannabinoid extract exceeds acceptable levels established by the Oregon

1 Health Authority by rule; or

2 “(c) Apply ORS 616.256, 616.265, 616.270 or 616.275 to cannabinoid edibles
3 or enforce ORS 616.256, 616.265, 616.270 or 616.275 with respect to
4 cannabinoid edibles.

5 **“(3) Subsection (2)(b) of this section does not prohibit the depart-
6 ment from considering artificially derived cannabinoids to be
7 adulterants.**

8 **“SECTION 8.** ORS 475B.550 is amended to read:

9 “475B.550. As used in ORS 475B.550 to 475B.590:

10 **“(1) ‘Artificially derived cannabinoid’ means a chemical compound
11 that is created by chemical reaction with any chemical compound de-
12 rived from the plant Cannabis family Cannabaceae.**

13 **“[(1)] (2) ‘Cannabinoid’ means any of the chemical compounds that are the
14 active constituents of marijuana.**

15 **“[(2)] (3) ‘Cannabinoid concentrate or extract’ means a substance obtained
16 by separating cannabinoids from marijuana by a mechanical, chemical or
17 other process.**

18 **“[(3)] (4) ‘Cannabinoid edible’ means food or potable liquid into which a
19 cannabinoid concentrate or extract or the dried leaves or flowers of
20 marijuana have been incorporated.**

21 **“[(4)(a)] (5)(a) ‘Cannabinoid product’ means a cannabinoid edible or any
22 other product intended for human consumption or use, including a product
23 intended to be applied to a person’s skin or hair, that contains cannabinoids
24 or the dried leaves or flowers of marijuana.**

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

26 **“(A) Usable marijuana by itself;**

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

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

29 **“[(5)(a)] (6)(a) ‘Marijuana’ means the plant Cannabis family Cannabaceae,
30 any part of the plant Cannabis family Cannabaceae and the seeds of the**

1 plant Cannabis family Cannabaceae.

2 “(b) ‘Marijuana’ does not include:

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

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

8 “[6] (7) ‘Marijuana item’ means marijuana, usable marijuana, a
9 cannabinoid product or a cannabinoid concentrate or extract.

10 “[7] (8) ‘Processing’ means the compounding or conversion of marijuana
11 into cannabinoid products or cannabinoid concentrates or extracts.

12 “[8] (9) ‘Producing’ means:

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

14 “(b) Drying marijuana leaves and flowers.

15 “(10) **‘Tetrahydrocannabinol’ includes all tetrahydrocannabinols**
16 **that are artificially or naturally derived, including but not limited to**
17 **Delta-8 tetrahydrocannabinol and Delta-9 tetrahydrocannabinol and**
18 **the optical isomers of Delta-8 or Delta-9 tetrahydrocannabinol, and**
19 **any artificially derived cannabinoid that is reasonably determined to**
20 **have an intoxicating effect.**

21 “[9](a) (11)(a) ‘Usable marijuana’ means the dried leaves and flowers of
22 marijuana.

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

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

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

27 **“SECTION 9.** ORS 475B.600 is amended to read:

28 **“475B.600. As used in ORS 475B.600 to 475B.655:**

29 **“(1) ‘Artificially derived cannabinoid’ means a chemical compound**
30 **that is created by chemical reaction with any chemical compound de-**

1 **rived from the plant Cannabis family Cannabaceae.**

2 “[1] (2) ‘Cannabinoid’ means any of the chemical compounds that are the
3 active constituents of marijuana.

4 “[2] (3) ‘Cannabinoid concentrate or extract’ means a substance obtained
5 by separating cannabinoids from marijuana by a mechanical, chemical or
6 other process.

7 “[3] (4) ‘Cannabinoid edible’ means food or potable liquid into which a
8 cannabinoid concentrate or extract or the dried leaves or flowers of
9 marijuana have been incorporated.

10 “[4](a) (5)(a) ‘Cannabinoid product’ means a cannabinoid edible or any
11 other product intended for human consumption or use, including a product
12 intended to be applied to a person’s skin or hair, that contains cannabinoids
13 or the dried leaves or flowers of marijuana.

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

15 “(A) Usable marijuana by itself;

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

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

18 “[5](a) (6)(a) ‘Marijuana’ means the plant Cannabis family Cannabaceae,
19 any part of the plant Cannabis family Cannabaceae and the seeds of the
20 plant Cannabis family Cannabaceae.

21 “(b) ‘Marijuana’ does not include:

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

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

27 “[6] (7) ‘Marijuana item’ means marijuana, usable marijuana, a
28 cannabinoid product or a cannabinoid concentrate or extract.

29 “[7] (8) ‘Processing’ means the compounding or conversion of marijuana
30 into cannabinoid products or cannabinoid concentrates or extracts.

1 “[8] (9) ‘Producing’ means:

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

3 “(b) Drying marijuana leaves and flowers.

4 “(10) **‘Tetrahydrocannabinol’ includes all tetrahydrocannabinols**
5 **that are artificially or naturally derived, including but not limited to**
6 **Delta-8 tetrahydrocannabinol and Delta-9 tetrahydrocannabinol and**
7 **the optical isomers of Delta-8 or Delta-9 tetrahydrocannabinol, and**
8 **any artificially derived cannabinoid that is reasonably determined to**
9 **have an intoxicating effect.**

10 “[9)(a)] (11)(a) ‘Usable marijuana’ means the dried leaves and flowers of
11 marijuana.

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

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

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

16 **“SECTION 10.** ORS 475B.625 is amended to read:

17 **“475B.625. (1) The Oregon Liquor Control Commission, in consulta-**
18 **tion with the Oregon Health Authority, shall adopt rules establishing:**

19 “(a) The maximum concentration of tetrahydrocannabinol that is permit-
20 ted in a single serving of a cannabinoid product or cannabinoid concentrate
21 or extract;

22 **“(b) The maximum concentration of any other cannabinoid or arti-**
23 **ficially derived cannabinoids that is permitted in a single serving of a**
24 **cannabinoid product or a cannabinoid concentrate or extract; and**

25 “[b)] (c) The number of servings that are permitted in a **package of**
26 cannabinoid product or cannabinoid concentrate or extract [*package*].

27 “(2)(a) In adopting rules under subsection (1)(a) of this section, the [*au-*
28 *thority*] **commission** shall prescribe the different levels of concentration of
29 tetrahydrocannabinol, **artificially derived cannabinoids or any other**
30 **cannabinoid** that is permitted in a single serving of a cannabinoid product

1 or cannabinoid concentrate or extract for:

2 “(A) Consumers who hold a valid registry identification card issued under
3 ORS 475B.797; and

4 “(B) Consumers who do not hold a valid registry identification card issued
5 under ORS 475B.797.

6 “(b) In prescribing the levels of concentration of tetrahydrocannabinol,
7 **artificially derived cannabinoids or any other cannabinoid** that is per-
8 mitted in a single serving of a cannabinoid product or cannabinoid concen-
9 trate or extract for consumers who hold a valid registry identification card
10 issued under ORS 475B.797, the [*authority*] **commission** shall consider the
11 appropriate level of concentration necessary to mitigate the symptoms or
12 effects of a debilitating medical condition, as defined in ORS 475B.791.

13 “(3) In adopting rules under ORS 475B.785 to 475B.949, the authority shall
14 require all usable marijuana, cannabinoid products and cannabinoid concen-
15 trates and extracts transferred by a medical marijuana dispensary registered
16 under ORS 475B.858 to meet the concentration standards and [*packaging*]
17 **servings per package** standards adopted by rule pursuant to this section.

18 “(4) In adopting rules under ORS 475B.010 to 475B.545, the [*Oregon Liquor*
19 *Control*] commission shall require all usable marijuana, cannabinoid products
20 and cannabinoid concentrates and extracts sold or transferred by a
21 marijuana retailer that holds a license under ORS 475B.105 to meet the
22 concentration standards and [*packaging*] **servings per package** standards
23 adopted by rule pursuant to this section.

24 **“SECTION 11. (1) The amendments to ORS 475B.015, 475B.025,**
25 **475B.090, 475B.211, 475B.227, 475B.254, 475B.529, 475B.550, 475B.600 and**
26 **475B.625 by sections 1 to 10 of this 2021 Act become operative on Jan-**
27 **uary 1, 2022.**

28 **“(2) The Oregon Health Authority, the Oregon Liquor Control**
29 **Commission and the State Department of Agriculture may take any**
30 **action before the operative date specified in subsection (1) of this sec-**

1 tion that is necessary to enable the authority, the commission and the
2 department to exercise, on and after the operative date specified in
3 subsection (1) of this section, all of the duties, functions and powers
4 conferred on the authority, the commission and the department by the
5 amendments to ORS 475B.015, 475B.025, 475B.090, 475B.211, 475B.227,
6 475B.254, 475B.529, 475B.550, 475B.600 and 475B.625 by sections 1 to 10
7 of this 2021 Act.

8
9 **“INDUSTRIAL HEMP**

10
11 **“SECTION 12.** Sections 13 to 17 of this 2021 Act are added to and
12 made a part of ORS 571.260 to 571.348.

13 **“SECTION 13. (1)** The State Department of Agriculture shall con-
14 duct a criminal records check under ORS 181A.195 on an individual
15 who submits an application for a grower license under ORS 571.281.

16 **“(2)** For the purpose of requesting a state or nationwide criminal
17 records check, the department may require fingerprints of any indi-
18 vidual listed on an application submitted under ORS 571.260 to 571.348,
19 including:

20 **“(a)** If the applicant is a limited partnership, each partner of the
21 limited partnership;

22 **“(b)** If the applicant is a limited liability company, each member
23 of the limited liability company;

24 **“(c)** If the applicant is a corporation, each director and officer of
25 the corporation;

26 **“(d)** Any individual who is a partner, member, director or officer
27 of an entity with a financial interest in the applicant; and

28 **“(e)** Other key participants with the applicant, as identified by the
29 department by rule.

30 **“(3)** ORS 181A.195 (10) does not apply to the department for purposes

1 of conducting a criminal records check under this section.

2 **“SECTION 14. (1) Except as provided in subsection (2) of this sec-**
3 **tion:**

4 **“(a) If a person has been convicted of a felony related to a con-**
5 **trolled substance under state or federal law, the person is ineligible for**
6 **a license under ORS 571.281 to grow hemp issued by the State Depart-**
7 **ment of Agriculture for 10 years following the date of the person’s**
8 **conviction.**

9 **“(b) If a licensee or an applicant, or a person related to the appli-**
10 **cant as described in section 13 (2)(e) of this 2021 Act, is convicted of a**
11 **felony related to a controlled substance under state or federal law, the**
12 **department may deny, revoke or refuse to renew a grower license un-**
13 **der ORS 571.281 during the 10 years following the date of conviction.**

14 **“(2) This section does not apply to a person who was registered to**
15 **grow hemp with the department before October 31, 2019.**

16 **“SECTION 15. Section 14 of this 2021 Act applies to convictions be-**
17 **fore, on and after October 31, 2019.**

18 **“SECTION 16. The Oregon Liquor Control Commission, in consul-**
19 **tation with the State Department of Agriculture, shall adopt rules to**
20 **establish:**

21 **“(1) The maximum concentration of tetrahydrocannabinol permit-**
22 **ted in a single serving of an industrial hemp product;**

23 **“(2) The maximum concentration of any other cannabinoid or arti-**
24 **ficially derived cannabinoid that is permitted in a single serving of an**
25 **industrial hemp product; and**

26 **“(3) The number of servings that are permitted in a package of in-**
27 **dustrial hemp products.**

28 **“SECTION 17. (1) Only a person that holds a license issued under**
29 **ORS 475B.090 may process industrial hemp commodities and products**
30 **that contain cannabinoids and are intended for human consumption.**

1 **“(2) The Oregon Liquor Control Commission may adopt rules that**
2 **govern the processing of industrial hemp.**

3 **“SECTION 18.** ORS 571.260 is amended to read:

4 “571.260. ORS 571.260 to 571.348 shall be known and may be cited as the
5 [*Oregon Industrial Hemp Agricultural Pilot Program and Research Act*]
6 **Oregon Hemp Act.**

7 **“SECTION 19.** ORS 571.263 is amended to read:

8 “571.263. The State Department of Agriculture shall administer an Oregon
9 [*Industrial Hemp Agricultural Pilot Program for the purpose of studying the*
10 *growth, cultivation and marketing of industrial hemp in this state. In carrying*
11 *out the program, the department:*] **Hemp State Program for the pro-**
12 **duction, processing and sale of hemp in this state. In carrying out the**
13 **program, the department:**

14 “(1) Shall administer ORS 571.260 to 571.348[;].

15 **“(2)(a) Shall adopt rules to implement a state plan for the pro-**
16 **duction of hemp in accordance with the Agriculture Improvement Act**
17 **of 2018 (P.L. 115-334) and subsequent federal law. The rules adopted**
18 **under this subsection must conform to, and not be more restrictive**
19 **than, the rules related to hemp promulgated by the United States De-**
20 **partment of Agriculture.**

21 **“(b) In adopting rules under this subsection, the State Department**
22 **of Agriculture shall include public input.**

23 **“(c) The rules adopted under this subsection may include the**
24 **adoption by reference of any federal laws, rules, regulations or guide-**
25 **lines, or standards, practices or requirements related to the production**
26 **of hemp.**

27 “[(2)] (3) Shall adopt by rule any record keeping and reporting require-
28 ments necessary to administer the program[;].

29 “[(3)] (4) May purchase, possess, seize or dispose of [*industrial*] hemp
30 products or commodities as the department deems necessary to enforce and

1 ensure compliance with ORS 571.260 to 571.348 or department rules relating
2 to ORS 571.260 to 571.348[; *and*].

3 “[4] (5) May exercise any other power or perform any other function
4 necessary to administer the program.

5 **“SECTION 20.** ORS 571.269 is amended to read:

6 “571.269. As used in ORS 571.260 to 571.348:

7 “(1) ‘Agricultural hemp seed’ means Cannabis seed:

8 “(a) That is sold to or intended to be sold to [*registered*] **licensed** growers
9 for planting; or

10 “(b) That remains in an unprocessed or partially processed condition that
11 is capable of germination.

12 “(2) ‘**Adult use cannabis item**’ has the meaning given that term in
13 **ORS 475B.015.**

14 “(3) ‘**Artificially derived cannabinoid**’ has the meaning given that
15 **term in ORS 475B.015.**

16 “(4) ‘**Consumption**’ means to ingest, inhale or topically apply to the
17 **skin or hair.**

18 “[2] (5) ‘Crop’ means industrial hemp grown under a single
19 [*registration*] **license.**

20 “[3] (6) ‘Grower’ means a person, joint venture or cooperative that
21 produces industrial hemp.

22 “[4] (7) ‘Handler’ means a person, joint venture or cooperative that re-
23 ceives industrial hemp for processing into commodities, products or agricul-
24 tural hemp seed.

25 “[5] (8) ‘Industrial hemp’:

26 “(a) Except as provided in this paragraph, means all nonseed parts and
27 varieties of the Cannabis plant, whether growing or not, that contain an
28 average **post-decarboxylation concentration of Delta-9**
29 **tetrahydrocannabinol [*concentration*], as defined by the State Department**
30 **of Agriculture by rule**, that does not exceed **the greater of 0.3 percent on**

1 a dry weight basis[. *The State department of Agriculture, by rule, may adopt*
2 *any higher average tetrahydrocannabinol concentration limit established in*
3 *federal law.*] **or the concentration of tetrahydrocannabinol allowed un-**
4 **der federal law.**

5 “(b) Means any Cannabis seed:

6 “(A) That is part of a crop;

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

8 “(C) That is agricultural hemp seed;

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

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

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

13 “[6] (9) ‘Industrial hemp concentrate’ means an industrial hemp product
14 obtained by separating cannabinoids from industrial hemp by:

15 “(a) A mechanical 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 department by rule.

22 “[7] (10) ‘Industrial hemp extract’ means an industrial hemp product
23 obtained by separating cannabinoids from industrial hemp by:

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

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

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

29 “(11) ‘Licensee’ means a grower, handler or agricultural hemp seed
30 producer licensed under ORS 571.281.

1 “(12) ‘Tetrahydrocannabinol’ has the meaning given that term in
2 **ORS 475B.015.**

3 “**SECTION 21.** ORS 571.272 is amended to read:

4 “571.272. (1) Industrial hemp is an agricultural product that is subject to
5 regulation by the State Department of Agriculture.

6 “(2)(a) For purposes of ORS chapter 616, the department may not consider
7 industrial hemp or industrial hemp commodities or products to be an
8 adulterant.

9 “**(b) Paragraph (a) of this subsection does not prohibit the depart-**
10 **ment from considering artificially derived cannabinoids to be**
11 **adulterants.**

12 “**SECTION 22.** ORS 571.281 is amended to read:

13 “571.281. (1) To grow or handle industrial hemp, a person must be [*regis-*
14 *tered with*] **licensed by** the State Department of Agriculture as a grower or
15 handler.

16 “(2)(a) Only a grower or handler [*registered*] **licensed** under this section
17 may produce agricultural hemp seed. For a grower or handler to produce
18 agricultural hemp seed, the grower or handler must be [*registered with*] **li-**
19 **censed by** the department as an agricultural hemp seed producer.

20 “(b) Notwithstanding paragraph (a) of this subsection:

21 “(A) A grower [*registered*] **licensed** under this section that retains agri-
22 cultural hemp seed for the purpose of personally propagating industrial hemp
23 in a subsequent year is not required to [*register with*] **be licensed by** the
24 department as an agricultural hemp seed producer; and

25 “(B) A grower or handler [*registered*] **licensed** under this section that
26 produces Cannabis seeds that are incapable of germination, or a handler
27 [*registered*] **licensed** under this section that processes Cannabis seeds that
28 are incapable of germination into commodities or products, is not required
29 to [*register with*] **be licensed by** the department as an agricultural hemp
30 seed producer.

1 “(3) An applicant for [registration] a **license** under this section must
2 submit to the department, in a form and manner prescribed by the depart-
3 ment, the following information:

4 “(a) The name and address of the applicant;

5 “(b) The name and address of the industrial hemp operation of the appli-
6 cant; and

7 “(c) Any other information required by the department by rule.

8 “(4) [Registration under this section is valid for a one-year term, beginning
9 on January 1.] **The department shall adopt rules specifying the period**
10 **of time for which a license issued under this section is valid.** A [grower,
11 handler or agricultural hemp seed producer may renew a registration]
12 **licensee may renew a license** under this section in a form and manner
13 prescribed by the department.

14 “(5) A [registration] **license** under this section is a personal privilege and
15 is not transferable.

16 “(6) A grower or handler [registered] **licensed** under this section must
17 keep records as required by the department by rule. Upon not less than
18 three days’ notice, the department may subject the records to inspection or
19 audit during normal business hours. The department may make an in-
20 spection or audit for the purpose of ensuring compliance with:

21 “(a) A provision of ORS 571.260 to 571.348;

22 “(b) A rule adopted under a provision of ORS 571.260 to 571.348; or

23 “(c) An order issued by the department pursuant to a provision of ORS
24 571.260 to 571.348 or a rule adopted under a provision of ORS 571.260 to
25 571.348.

26 “(7) In addition to any inspection conducted pursuant to ORS 561.275, the
27 department may inspect any crop during the crop’s growth phase and take
28 a representative composite sample for field analysis. If a crop contains an
29 average **post-decarboxylation concentration of Delta-9**
30 tetrahydrocannabinol [concentration] exceeding 0.3 percent on a dry weight

1 basis or a **post-decarboxylation concentration of Delta-9**
2 tetrahydrocannabinol [*concentration*] exceeding the concentration allowed
3 under federal law, whichever is greater, the department may detain, seize or
4 embargo the crop as provided under ORS 561.605 to 561.620, subject to any
5 process established under ORS 571.345.

6 “(8)(a) The department may charge [*growers, handlers and agricultural*
7 *hemp seed producers application fees, registration and renewal of registration*
8 *fees, administrative change fees and fees for other services*] **licensees the**
9 **following fees** in amounts reasonably calculated by the department to pay
10 the cost of administering ORS 571.260 to 571.348[.]:

11 “(A) **Application fees;**

12 “(B) **License and license renewal fees;**

13 “(C) **Administrative change fees; and**

14 “(D) **Fees for other services.**

15 “(b) Moneys from fees charged under this subsection shall be deposited
16 in the Industrial Hemp Fund established under ORS 571.278.

17 “(9) The department may adopt rules establishing public health and safety
18 standards and industry best practices for growers and handlers [*registered*]
19 **licensed** under this section.

20 “**SECTION 23.** ORS 571.285 is amended to read:

21 “571.285. (1) Subject to the provisions of ORS chapter 183, the State De-
22 partment of Agriculture may revoke [*the registration of a grower, handler or*
23 *agricultural hemp seed producer*] **a licensee’s license** or refuse to [*register*]
24 **license** or renew the [*registration*] **license** if a [*grower, handler or agricul-*
25 *tural hemp seed producer*] **licensee** violates:

26 “(a) A provision of ORS 571.260 to 571.348;

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

28 “(c) An order issued by the department pursuant to a provision of ORS
29 571.260 to 571.348 or a rule adopted under a provision of ORS 571.260 to
30 571.348; or

1 “(d) Any statutory law or department rule related to agricultural activ-
2 ities other than industrial hemp operations.

3 “[*(2) The department may not discipline a grower, handler or agricultural*
4 *hemp seed producer under this section on the basis that possessing, delivering*
5 *and manufacturing industrial hemp are prohibited by federal law.*]

6 “**(2) The department may adopt rules to prohibit a licensee from**
7 **reapplying for a license under ORS 571.281 for a period of time specified**
8 **by rule by the department if the licensee violates:**

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

10 “**(b) A rule adopted pursuant to ORS 571.260 to 571.348; or**

11 “**(c) An order issued by the department pursuant to ORS 571.260 to**
12 **571.348 or a rule adopted pursuant to ORS 571.260 to 571.348.**

13 “**SECTION 24.** ORS 571.288 is amended to read:

14 “571.288. A grower [*registered*] **licensed** under ORS 571.281 may use any
15 propagation method, including planting seeds or starts or the use of clones
16 or cuttings, to produce industrial hemp.

17 “**SECTION 25.** ORS 571.294 is amended to read:

18 “571.294. The State Department of Agriculture may charge growers and
19 handlers [*registered*] **licensed** under ORS 571.281 fees reasonably calculated
20 by the department to pay the cost of sampling or testing industrial hemp or
21 industrial hemp commodities or products under ORS 571.330 and 571.333.
22 Moneys from fees charged under this section shall be deposited in the In-
23 dustrial Hemp Fund established under ORS 571.278.

24 “**SECTION 26.** ORS 571.302 is amended to read:

25 “571.302. (1) For purposes of ORS 633.511 to 633.750, agricultural hemp
26 seed is an agricultural seed or a flower seed, as those terms are defined in
27 ORS 633.511.

28 “(2) The Director of Agriculture, or the director’s agent, and the Dean
29 of the College of Agricultural Sciences of Oregon State University, or the
30 dean’s agent, shall establish a program for the labeling and certification of

1 agricultural hemp seed. For purposes of the program:

2 “(a) The director and the dean shall perform their respective duties under
3 ORS 633.511 to 633.750 with respect to agricultural hemp seed in the same
4 manner that the director and dean perform their respective duties under ORS
5 633.511 to 633.750 with respect to other agricultural seed or flower seed, in-
6 cluding but not limited to those duties related to labeling, testing and cer-
7 tifying seeds; and

8 “(b) The director and the dean shall exercise their respective functions
9 and powers under ORS 633.511 to 633.750 with respect to agricultural hemp
10 seed in the same manner that the director and dean exercise their respective
11 functions and powers under ORS 633.511 to 633.750 with respect to other
12 agricultural seed or flower seed, including but not limited to inspecting and
13 sampling seeds and making rules and regulations under ORS 633.680.

14 “(3) Notwithstanding subsections (1) and (2) of this section, if the director
15 in consultation with the dean determines that a specific provision of ORS
16 633.511 to 633.750, or a specific rule or regulation made under ORS 633.511
17 to 633.750, that applies to other agricultural seed or flower seed is inade-
18 quate or not suitable for the regulation of agricultural hemp seed, the di-
19 rector may by rule exempt agricultural hemp seed from the provision, rule
20 or regulation and make rules providing more adequate or suitable regulation
21 of agricultural hemp seed.

22 “(4)(a) The director and the dean shall collaborate with growers [*regis-*
23 *tered*] **licensed** under ORS 571.281 in performing their respective duties and
24 exercising their respective functions and powers under ORS 633.511 to
25 633.750 with respect to agricultural hemp seed.

26 “(b) The director and the dean may collaborate with growers [*registered*]
27 **licensed** under ORS 571.281 and other stakeholders to develop a heritage
28 agricultural hemp seed for this state.

29 “(5) The director and the dean may collaborate with entities authorized
30 to certify seeds under the laws of other states in performing their respective

1 duties and exercising their respective functions and powers under ORS
2 633.511 to 633.750 with respect to agricultural hemp seed.

3 “(6) A grower [*registered*] **licensed** under ORS 571.281 is not required, for
4 purposes related to growing industrial hemp, to use an agricultural hemp
5 seed variety certified under the program described in this section.

6 “(7) The State Department of Agriculture may establish by rule waivers
7 to, or exemptions from, tests that would otherwise be conducted to determine
8 a crop’s average tetrahydrocannabinol concentration for crops planted with
9 agricultural hemp seed varieties certified pursuant to the program described
10 in this section.

11 **“SECTION 27.** ORS 571.327 is amended to read:

12 “571.327. (1) An agricultural hemp seed producer [*registered*] **licensed**
13 under ORS 571.281:

14 “(a) Must sell agricultural hemp seed in a manner that complies with any
15 standard established by the Director of Agriculture under ORS 633.511 to
16 633.750; and

17 “(b) May sell agricultural hemp seed only if the agricultural hemp seed
18 meets any packaging or labeling requirement, or any quality standard,
19 adopted by the director under subsection (2) of this section.

20 “(2) The director may adopt rules establishing packaging requirements,
21 labeling requirements and quality standards for agricultural hemp seed.

22 “(3) The State Department of Agriculture shall make available to growers
23 [*registered*] **licensed** under ORS 571.281 information that identifies agricul-
24 tural hemp seed producers [*registered*] **licensed** under ORS 571.281 from
25 whom the growers may purchase agricultural hemp seed.

26 **“SECTION 28.** ORS 571.330 is amended to read:

27 “571.330. [(1) *For purposes of this section, ‘consumption’ means to ingest,*
28 *inhale or topically apply to the skin or hair.*]

29 “[*(2)(a)*] **(1)(a)** A laboratory licensed by the Oregon Liquor Control Com-
30 mission under ORS 475B.560 and accredited by the Oregon Health Authority

1 pursuant to ORS 475B.565 may test industrial hemp and industrial hemp
2 commodities and products **whether or not the industrial hemp or indus-**
3 **trial hemp commodities or products were** produced or processed by a
4 [*grower, handler or agricultural hemp seed producer registered under ORS*
5 *571.281*] **licensee.**

6 “(b) An accredited independent testing laboratory that has been approved
7 by the authority or the State Department of Agriculture may test industrial
8 hemp and industrial hemp commodities and products **whether or not the**
9 **industrial hemp or industrial hemp commodities or products were**
10 produced or processed by a [*grower, handler or agricultural hemp seed pro-*
11 *ducer registered under ORS 571.281*] **licensee.**

12 “[~~(3)~~] **(2)** A grower or handler may not sell or transfer an industrial hemp
13 commodity or product that is intended for human consumption unless the
14 commodity or product is tested by a laboratory described in subsection (2)
15 of this section to ensure that the commodity or product meets the require-
16 ments adopted by the Oregon Health Authority under ORS 475B.555 (1)(a)
17 and (b) and (2) for testing marijuana items.

18 “[~~(4)~~] **(3)** For purposes of this section, the department shall adopt rules:

19 “(a) Establishing protocols for the testing of industrial hemp commodities
20 and products; and

21 “(b) Establishing procedures for determining batch sizes and for sampling
22 industrial hemp commodities and products.

23 “[~~(5)~~] **(4)** This section does not apply to:

24 “(a) Agricultural hemp seed;

25 “(b) Seeds of the plant genus *Cannabis* within the plant family
26 *Cannabaceae* that are incapable of germination;

27 “(c) Products derived from seeds described in paragraph (b) of this sub-
28 section; or

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

1 **“SECTION 29.** ORS 571.336 is amended to read:

2 “571.336. (1) As used in this section, ‘licensee,’ ‘marijuana,’ ‘marijuana
3 item’ and ‘marijuana processor’ have the meanings given those terms in ORS
4 475B.015.

5 “(2) A grower [*registered*] **licensed** under ORS 571.281 may deliver indus-
6 trial hemp, and a handler [*registered*] **licensed** under ORS 571.281 may de-
7 liver industrial hemp concentrates and industrial hemp extracts, to a
8 marijuana processor that holds a license issued under ORS 475B.090, if:

9 “(a) The grower or handler and the marijuana processor are registered
10 with the Oregon Liquor Control Commission, in a form and manner pre-
11 scribed by the commission, for the purpose of processing industrial hemp,
12 industrial hemp concentrates and industrial hemp extracts;

13 “(b) The marijuana processor is provided with the results of any test
14 conducted on the industrial hemp, industrial hemp concentrate or industrial
15 hemp extract pursuant to ORS 571.260 to 571.348 as a condition of the
16 marijuana processor’s receiving the industrial hemp, industrial hemp con-
17 centrate or industrial hemp extract;

18 “(c) The marijuana processor keeps the results of any test that the
19 marijuana processor receives pursuant to paragraph (b) of this subsection in
20 a form and manner prescribed by the commission;

21 “(d) The industrial hemp, industrial hemp concentrate or industrial hemp
22 extract is tracked using the system developed and maintained under ORS
23 475B.177 when the industrial hemp, industrial hemp concentrate or industrial
24 hemp extract is delivered to the premises of the marijuana processor; and

25 “(e) The grower or handler and the marijuana processor meet any other
26 requirement established by the commission by rule.

27 “(3) Industrial hemp, industrial hemp concentrates and industrial hemp
28 extracts may be processed by a marijuana processor registered under this
29 section into any industrial hemp commodity or product or used by a
30 marijuana processor registered under this section to supplement the pro-

1 censing of any marijuana item.

2 “(4) An industrial hemp concentrate, industrial hemp extract, industrial
3 hemp commodity or product or marijuana item processed pursuant to this
4 section may be delivered by a marijuana processor registered under this
5 section to a licensee as described in ORS 475B.206, provided that the indus-
6 trial hemp concentrate, industrial hemp extract, industrial hemp commodity
7 or product or marijuana item meets any applicable requirement for
8 marijuana items set forth in ORS 475B.010 to 475B.545, 475B.550 to 475B.590
9 and 475B.600 to 475B.655 and rules adopted under ORS 475B.010 to 475B.545,
10 475B.550 to 475B.590 and 475B.600 to 475B.655.

11 “(5) The commission may impose an annual fee reasonably calculated to
12 not exceed the cost of administering this section on growers registered under
13 this section, handlers registered under this section and marijuana processors
14 registered under this section. Fees collected under this section shall be de-
15 posited in the Marijuana Control and Regulation Fund established under
16 ORS 475B.296. Moneys deposited in the fund pursuant to this subsection are
17 continuously appropriated to the commission for the purpose of administer-
18 ing this section.

19 **“SECTION 30.** ORS 571.337 is amended to read:

20 “571.337. (1) As used in this section:

21 “[*(a)*] ‘Consumption’ has the meaning given that term in ORS 571.330.]

22 “[*(b)*] (a) ‘Processor’ means a person licensed under ORS 475B.090.

23 “[*(c)*] (b) ‘Retailer’ means a person licensed under ORS 475B.105.

24 “[*(d)*] (c) ‘Wholesaler’ means a person licensed under ORS 475B.100.

25 “(2) Except as provided in ORS 571.341, a processor, retailer or wholesaler
26 may purchase, receive, transfer, sell or transport industrial hemp, or an in-
27 dustrial hemp commodity or product that contains cannabinoids and is in-
28 tended for human consumption, only if:

29 “(a) The processor, retailer or wholesaler received the hemp, commodity
30 or product from a grower or handler [*registered*] **licensed** under ORS 571.281

1 or a processor;

2 “(b) The grower, handler or processor under paragraph (a) of this sub-
3 section is registered [by] **with** the Oregon Liquor Control Commission as
4 provided under ORS 571.336; and

5 “(c) The hemp, commodity or product meets the requirements for
6 marijuana items under ORS 475B.010 to 475B.545, 475B.550 to 475B.590 and
7 475B.600 to 475B.655 and rules adopted by the commission.

8 “(3) A grower, handler or processor registered as described under ORS
9 571.336 (2)(a) shall enter hemp, commodity or product that contains
10 cannabinoids, is intended for human consumption and is intended for trans-
11 fer, sale or transport to a processor, retailer or wholesaler licensed under
12 ORS 475B.010 to 475B.545 into the tracking system described in ORS 475B.177
13 before the hemp, commodity or product is transferred to a laboratory de-
14 scribed in ORS 571.330 [(2)] (1) for testing of a type described under ORS
15 475B.555. The commission shall continue to track the hemp, commodity or
16 product entered into the system under this subsection when the hemp, com-
17 modity or product is transferred, sold or transported to a premises licensed
18 under ORS 475B.010 to 475B.545, or to other areas under the control of the
19 premises licensee.

20 “(4) **A processor may transfer, sell or transport an industrial hemp**
21 **commodity or product to a person that is not a processor, retailer or**
22 **wholesaler if the industrial hemp commodity or product:**

23 “(a) **Is tested as described in ORS 475B.555 and otherwise meets the**
24 **requirements for marijuana items under ORS 475B.010 to 475B.545,**
25 **475B.550 to 475B.590 and 475B.600 to 475B.655 and rules adopted by the**
26 **commission;**

27 “(b) **Is entered into the tracking system described in ORS 475B.177;**

28 “(c) **Prior to the transfer, sale or transport, is held by the processor**
29 **for the duration and in the manner required by the commission by**
30 **rule; and**

1 **“(d) Meets any other requirements established by the commission**
2 **by rule.**

3 “[(4)] (5) The State Department of Agriculture shall adopt rules regarding
4 the activities of growers and handlers under this section.

5 “[(5)] (6) The commission shall adopt rules regarding the activities of
6 processors, retailers, wholesalers and laboratories under this section.

7 **“SECTION 31.** ORS 571.339 is amended to read:

8 “571.339. *[A person may not make a retail sale of industrial hemp com-*
9 *modities or products in this state unless the industrial hemp commodities or*
10 *products and the industrial hemp used to process the industrial hemp com-*
11 *modities or products meet the requirements for processing industrial hemp*
12 *commodities or products or growing industrial hemp set forth in ORS 571.260*
13 *to 571.348 and rules adopted under ORS 571.260 to 571.348.]*

14 **“(1) For purposes of this section, ‘consumer’ means a person that**
15 **purchases, acquires, owns, holds or uses an industrial hemp commod-**
16 **ity or product other than for the purpose of resale.**

17 **“(2) A person may not sell or deliver to a consumer an industrial**
18 **hemp commodity or product that contains cannabinoids and is in-**
19 **tended for human consumption unless:**

20 **“(a) The industrial hemp commodity or product has been tested in**
21 **accordance with ORS 571.330 and any rules adopted pursuant to ORS**
22 **571.330;**

23 **“(b) The person obtains and maintains documentation of the results**
24 **of the testing;**

25 **“(c) The results of the testing required under this subsection dem-**
26 **onstrate the concentration of Delta-8 tetrahydrocannabinol if:**

27 **“(A) The industrial hemp commodity or product is sold to a person**
28 **under 21 years of age; or**

29 **“(B) Any representations are made to the consumer about the**
30 **concentration of Delta-8 tetrahydrocannabinol;**

1 “(d) The industrial hemp commodity or product does not contain
2 more than 0.3 percent tetrahydrocannabinol or the concentration of
3 tetrahydrocannabinol allowed under federal law, whichever is greater;
4 and

5 “(e) The industrial hemp commodity or product does not exceed the
6 concentration of tetrahydrocannabinol established by the Oregon Li-
7 quor Control Commission, in conjunction with the Oregon Health Au-
8 thority, by rule.

9 “(3) The testing required under subsection (2) of this section may
10 be conducted only by:

11 “(a) A laboratory licensed by the commission under ORS 475B.560
12 and accredited by the authority under ORS 475B.565; or

13 “(b) If the industrial hemp commodity or product was processed
14 outside of this state, a laboratory accredited to the same or more
15 stringent standards as a laboratory described in paragraph (a) of this
16 subsection.

17 “(4) A person may not sell or deliver an adult use cannabis item to
18 a person under 21 years of age.

19 “(5) This section does not apply to the retail sale of industrial hemp
20 commodities or products by a marijuana retailer, as defined in ORS 475B.015,
21 that holds a license issued under ORS 475B.105.

22 “**SECTION 32.** ORS 571.341 is amended to read:

23 “571.341. (1) As used in this section[:]

24 “[(a) ‘Consumer’ has the meaning given that term in ORS 475B.015.]

25 “[(b)], ‘retailer’ means a person licensed under ORS 475B.105.

26 “(2) [*Industrial hemp products that contain more than 0.3 percent*
27 *tetrahydrocannabinol may not be sold to a consumer by a person other than a*
28 *retailer.*] **An industrial hemp product may not be sold to a consumer**
29 **by a person other than a retailer if the industrial hemp product con-**
30 **tains more than:**

1 “(A) The concentration of tetrahydrocannabinol established by the
2 Oregon Liquor Control Commission, in consultation with the State
3 Department of Agriculture, by rule; or

4 “(B) The greater of:

5 “(i) A concentration of 0.3 percent tetrahydrocannabinol; or

6 “(ii) The concentration of tetrahydrocannabinol allowed under fed-
7 eral law.

8 “(3) The [*Oregon Liquor Control*] commission shall adopt rules establish-
9 ing measures the commission deems necessary for ensuring compliance with
10 this section.

11 “**SECTION 33.** ORS 571.345 is amended to read:

12 “571.345. The State Department of Agriculture may by rule or order es-
13 tablish a process providing for the remediation of a violation of ORS 571.330
14 or 571.333 that is committed by a grower or handler [*registered*] **licensed**
15 under ORS 571.281 and is not committed intentionally.

16 “**SECTION 34.** The State Department of Agriculture shall issue a
17 license to grow or handle hemp under ORS 571.281 on the date the
18 previous registration is due for renewal to a grower or handler who:

19 “(1) Registered under ORS 571.281 on or before the operative date
20 specified in section 35 of this 2021 Act; and

21 “(2) Meets the requirements for registration renewal.

22 “**SECTION 35.** (1) Sections 13 to 15 and 17 of this 2021 Act and the
23 of amendments to ORS 571.260, 571.263, 571.269, 571.272, 571.281, 571.285,
24 571.288, 571.294, 571.302, 571.327, 571.330, 571.336, 571.337, 571.339, 571.341
25 and 571.345 by sections 18 to 33 of this 2021 Act become operative on
26 January 1, 2022.

27 “(2) Section 16 of this 2021 Act becomes operative on July 1, 2023.

28 “(3) The Oregon Health Authority, the Oregon Liquor Control
29 Commission and the State Department of Agriculture may take any
30 action before the operative date specified in subsections (1) and (2) of

1 this section that is necessary to enable the authority, the commission
2 and the department to exercise, on and after the operative date spec-
3 ified in subsection (1) of this section, all of the duties, functions and
4 powers conferred on the authority, the commission and the depart-
5 ment by sections 13 to 15 and 17 of this 2021 Act and the amendments
6 to ORS 571.260, 571.263, 571.269, 571.272, 571.281, 571.285, 571.288, 571.294,
7 571.302, 571.327, 571.330, 571.336, 571.337, 571.339, 571.341 and 571.345 by
8 sections 18 to 33 of this 2021 Act.

9
10 **“TASK FORCE ON CANNABIS-DERIVED INTOXICANTS**

11
12 **“SECTION 36. (1) The Task Force on Cannabis-Derived Intoxicants**
13 **is established.**

14 **“(2) The task force consists of nine members appointed as follows:**

15 **“(a) The President of the Senate shall appoint one member from**
16 **among the members of the Senate;**

17 **“(b) The Senate Minority Leader shall appoint one member from**
18 **among the members of the Senate;**

19 **“(c) The Speaker of the House of Representatives shall appoint one**
20 **member from among the members of the House of Representatives;**

21 **“(d) The House Minority Leader shall appoint one member from**
22 **among the members of the House of Representatives; and**

23 **“(e) The Governor shall appoint five members as follows:**

24 **“(A) One member who represents counties in this state;**

25 **“(B) One member who represents cities in this state;**

26 **“(C) One member who represents law enforcement agencies;**

27 **“(D) The Director of Agriculture, or a designee of the director; and**

28 **“(E) The administrator of the Oregon Liquor Control Commission,**
29 **or a designee of the administrator.**

30 **“(3) The task force shall consider:**

1 **“(a) Changes to state law to support the regulation of intoxicating**
2 **cannabis-derived products and artificially derived cannabinoids;**

3 **“(b) The consolidation of administrative functions related to the**
4 **regulation of cannabis;**

5 **“(c) Methods to prevent sales to minors of industrial hemp com-**
6 **modities or products that contain intoxicating cannabinoids;**

7 **“(d) Regulation to address genetic engineering of cannabis;**

8 **“(e) Testing requirements and methods of enforcement of testing**
9 **requirements for cannabinoids, including artificially derived**
10 **cannabinoids, to protect the public health and safety;**

11 **“(f) Policy changes related to interstate commerce and transporta-**
12 **tion of cannabis;**

13 **“(g) Changes to state regulation of cannabis as a result of federal**
14 **laws; and**

15 **“(h) Input from marijuana and industrial hemp industry members.**

16 **“(4) A majority of the voting members of the task force constitutes**
17 **a quorum for the transaction of business.**

18 **“(5) Official action by the task force requires the approval of a**
19 **majority of the voting members of the task force.**

20 **“(6) The task force shall elect one of its members to serve as**
21 **chairperson.**

22 **“(7) If there is a vacancy for any cause, the appointing authority**
23 **shall make an appointment to become immediately effective.**

24 **“(8) The task force shall meet at times and places specified by the**
25 **call of the chairperson or of a majority of the voting members of the**
26 **task force.**

27 **“(9) The task force may adopt rules necessary for the operation of**
28 **the task force.**

29 **“(10)(a) The task force shall submit a report in the manner provided**
30 **by ORS 192.245, and shall include initial findings and recommendations**

1 for legislation, to the interim committee of the Legislative Assembly
2 related to economic development no later than December 31, 2021.

3 “(b) The task force shall submit a report in the manner provided
4 by ORS 192.245, and shall include final findings and recommendations
5 for legislation, to the interim committee of the Legislative Assembly
6 related to economic development no later than December 31, 2022.

7 “(11) The Oregon Liquor Control Commission and the State De-
8 partment of Agriculture, in consultation with the Oregon Health Au-
9 thority and the Department of Revenue, shall provide staff support to
10 the task force.

11 “(12) Members of the Legislative Assembly appointed to the task
12 force are nonvoting members of the task force and may act in an ad-
13 visory capacity only.

14 “(13) Members of the task force who are not members of the Leg-
15 islative Assembly are not entitled to compensation or reimbursement
16 for expenses and serve as volunteers on the task force.

17 “(14) All agencies of state government, as defined in ORS 174.111,
18 are directed to assist the task force in the performance of the duties
19 of the task force and, to the extent permitted by laws relating to
20 confidentiality, to furnish information and advice the members of the
21 task force consider necessary to perform their duties.

22 “SECTION 37. Section 36 of this 2021 Act is repealed on January 2,
23 2023.

24

25

“CAPTIONS

26

27 “SECTION 38. The unit captions used in this 2021 Act are provided
28 only for the convenience of the reader and do not become part of the
29 statutory law of this state or express any legislative intent in the
30 enactment of this 2021 Act.

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“EFFECTIVE DATE

“SECTION 39. This 2021 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect on its passage.”.
