

HB 4016 A STAFF MEASURE SUMMARY
House Committee On Economic Recovery and Prosperity

Carrier: Rep. Wallan

Action Date: 02/14/22

Action: Do pass with amendments and rescind subsequent referral to Ways and Means. (Printed A-Eng.)

Vote: 9-1-0-0

Yeas: 9 - Bonham, Cate, Hudson, Kropf, Levy, Lively, Prusak, Ruiz, Wallan

Nays: 1 - Witt

Fiscal: Has minimal fiscal impact

Revenue: No revenue impact, statement issued (Indeterminate Impact)

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Meeting Dates: 2/2, 2/7, 2/9, 2/14

WHAT THE MEASURE DOES:

Prohibits the Oregon Liquor and Cannabis Commission (OLCC) from issuing new marijuana production, processor, wholesaler, and retailer license applications received after January 1, 2022. Requires annual report on moratorium to Legislative Assembly. Sunsets moratorium on March 31, 2024. Allows OLCC to reissue marijuana licenses that have expired, been relinquished, or been otherwise suspended. Authorizes OLCC to allow a marijuana retailer mistakenly licensed to operate within 1,000 feet of a school to relocate without reapplying for a new license. Makes conforming statutory changes. Sets operative dates. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Need for marijuana license moratoriums
- Current state of marijuana industry
- Need for additional resources to combat illegal marijuana grows
- Potential funding impacts to Ballot Measure 110 programs
- Amendment provisions

EFFECT OF AMENDMENT:

Prohibits OLCC from issuing new marijuana production, processor, wholesaler, and retailer licenses for applications received after January 1, 2022. Requires yearly report on prohibitions to the Legislative Assembly. Removes provisions related to a moratorium on the issuance of new industrial hemp producer licenses; liens on buildings or property used for illegal industrial hemp operations; the required reporting of suspected sex trafficking, human trafficking, or the prohibited employment of a minor occurring on the OLCC licensed premises by marijuana workers; and the establishment of a human trafficking coordinator position within OLCC.

BACKGROUND:

The production, processing, and sale of marijuana and hemp is legal under Oregon law. The Oregon Liquor and Cannabis Commission (OLCC) has primary responsibility for regulating marijuana while the Oregon Department of Agriculture (ODA) regulates hemp. To produce marijuana or hemp, the grower must be licensed by the regulating agency. There is currently no restriction on how many production licenses can be issued for either marijuana or hemp though a moratorium on the issuance of new marijuana production licenses was in place between 2019 and January 2, 2022 (See Senate Bill 218, 2019). Processors, wholesalers, and retailers are also subject to licensing requirements. Marijuana and hemp must be tested at several stages, both for contamination, and, in the case of hemp, to ensure the concentration of THC is not above the .3 percent limit imposed by state and federal law.

HB 4016 A STAFF MEASURE SUMMARY

House Bill 4016 A prohibits OLCC from issuing new marijuana production, processor, wholesaler, and retailer licenses until March 31, 2024; allows OLCC to reissue expired, relinquished, or otherwise suspended marijuana licenses that have expired; and makes other technical changes to statutes regulating marijuana in Oregon.