

SENATE AMENDMENTS TO SENATE BILL 1587

By COMMITTEE ON JUDICIARY AND BALLOT MEASURE 110 IMPLEMENTATION

February 16

1 On page 1 of the printed bill, line 2, after “amending” delete the rest of the line and insert
2 “sections 13, 14, 16 and 26, chapter 103, Oregon Laws 2018;”.

3 In line 3, delete “475C.608;”.

4 Delete lines 5 through 26 and delete pages 2 and 3 and insert:

5 “**SECTION 1.** Section 13, chapter 103, Oregon Laws 2018, as amended by section 1, chapter 3,
6 Oregon Laws 2021 (second special session), is amended to read:

7 “**Sec. 13.** (1) The Illegal Marijuana Market Enforcement Grant Program is established to assist
8 cities and counties with the costs incurred by local law enforcement agencies **and community-**
9 **based organizations** in addressing unlawful marijuana cultivation or distribution operations.

10 “(2) The Oregon Criminal Justice Commission shall administer the grant program described in
11 subsection (1) of this section and shall award the grants described in this section.

12 “(3) The commission shall adopt rules to administer the grant program. Rules adopted under this
13 section must include:

14 “(a) A methodology for reviewing and approving grant applications and awarding grants; and

15 “(b) A process for evaluating the efficacy of local law enforcement programs and services funded
16 by the grant program.

17 “(4) Moneys distributed to grant recipients under this section must be spent on costs associated
18 with addressing and prosecuting unlawful marijuana cultivation or distribution operations.

19 “(5) The commission shall prioritize the following when awarding grants under this section:

20 “(a) Providing financial assistance to local law enforcement agencies and district attorneys in
21 rural areas of this state to address unlawful marijuana cultivation or distribution operations;

22 “(b) Supporting local law enforcement agencies and district attorneys in investigating and
23 prosecuting large-scale unlawful marijuana cultivation or distribution operations;

24 “(c) Providing financial assistance to local law enforcement agencies and district attorneys in
25 the investigation and prosecution of organized crime involved in unlawful marijuana cultivation or
26 distribution operations;

27 “(d) Providing financial assistance to local law enforcement agencies and district attorneys in
28 the investigation and prosecution of unlawful marijuana cultivation or distribution operations that
29 divert marijuana outside of this state; and

30 “(e) Providing financial assistance to local law enforcement agencies [*to partner with*] **and**
31 community-based organizations in order to address the ongoing humanitarian crisis associated with
32 unlawful marijuana cultivation or distribution operations and to facilitate connections to any nec-
33 essary assistance and services for individuals impacted by the humanitarian crisis, including but not
34 limited to language translation services and housing and legal assistance.

35 “**SECTION 2.** Section 16, chapter 103, Oregon Laws 2018, as amended by section 39, chapter

1 542, Oregon Laws 2021, is amended to read:

2 “**Sec. 16.** [(1)] Notwithstanding ORS [475B.759] **475C.726**, before making any other distribution
3 from the Oregon Marijuana Account established under ORS [475B.759] **475C.726**, the Department of
4 Revenue shall first distribute quarterly from the account the following:

5 “[*(a)*] (1) \$875,000 to the Oregon Liquor and Cannabis Commission for deposit in the Marijuana
6 Control and Regulation Fund established under ORS [475B.296] **475C.297**; and

7 “[*(b)*] (2) \$750,000 to the Oregon Criminal Justice Commission for deposit into the Illegal
8 Marijuana Market Enforcement Grant Program Fund established under section 15, chapter 103,
9 Oregon Laws 2018, for the purposes of paying the costs incurred by the commission in carrying out
10 the provisions of section 13, chapter 103, Oregon Laws 2018.

11 “[*(2)*] *The final distribution made under subsection (1) of this section shall be made in the fiscal*
12 *quarter beginning on October 1, 2023.*]

13 “**SECTION 3.** Section 16, chapter 103, Oregon Laws 2018, as amended by section 39, chapter
14 542, Oregon Laws 2021, and section 2 of this 2022 Act, is amended to read:

15 “**Sec. 16.** (1) Notwithstanding ORS 475C.726, before making any other distribution from the
16 Oregon Marijuana Account established under ORS 475C.726, the Department of Revenue shall first
17 distribute quarterly from the account the following:

18 “[*(1)*] (a) \$875,000 to the Oregon Liquor and Cannabis Commission for deposit in the Marijuana
19 Control and Regulation Fund established under ORS 475C.297; [and]

20 “[*(2)*] \$750,000 to the Oregon Criminal Justice Commission for deposit into the Illegal Marijuana
21 Market Enforcement Grant Program Fund established under section 15, chapter 103, Oregon Laws
22 2018, for the purposes of paying the costs incurred by the commission in carrying out the provisions
23 of section 13, chapter 103, Oregon Laws 2018.]

24 “(b) **\$3,250,000 to the Oregon Criminal Justice Commission for deposit into the Illegal**
25 **Marijuana Market Enforcement Grant Program Fund established under section 15, chapter**
26 **103, Oregon Laws 2018, for the purposes of paying the costs incurred by the commission in**
27 **awarding grants to law enforcement agencies under section 13, chapter 103, Oregon Laws**
28 **2018; and**

29 “(c) **\$750,000 to the Oregon Criminal Justice Commission for deposit into the Illegal**
30 **Marijuana Market Enforcement Grant Program Fund established under section 15, chapter**
31 **103, Oregon Laws 2018, for the purposes of paying the costs incurred by the commission in**
32 **awarding grants to community-based organizations under section 13, chapter 103, Oregon**
33 **Laws 2018.**

34 “(2) **The final distribution made under subsection (1) of this section shall be made in the**
35 **fiscal quarter beginning on April 1, 2025.**

36 “**SECTION 4.** The amendments to section 16, chapter 103, Oregon Laws 2018, by section
37 **3 of this 2022 Act become operative on July 1, 2023.**

38 “**SECTION 5.** Section 14, chapter 103, Oregon Laws 2018, is amended to read:

39 “**Sec. 14.** (1) [Not later than January 1, 2020, and] Not later than January 1 of each year
40 [thereafter], the Oregon Criminal Justice Commission shall submit a report in the manner provided
41 in ORS 192.245 on the status and effectiveness of the Illegal Marijuana Market Enforcement Grant
42 Program established under section 13 [of this 2018 Act], **chapter 103, Oregon Laws 2018**, to the
43 interim committees of the Legislative Assembly related to the judiciary.

44 “(2) **Not later than January 1 of each year, the commission shall submit, in the manner**
45 **provided in ORS 192.245, to the interim committees of the Legislative Assembly related to**

1 the judiciary, a report on recommendations for changes to the funding of the Illegal
2 Marijuana Market Enforcement Grant Program. In making the recommendations described
3 in this subsection, the commission shall consider the best available information and
4 projections regarding unlawful marijuana cultivation and distribution operations in this state
5 and any human trafficking related to those operations.

6 **“SECTION 6.** Section 26, chapter 103, Oregon Laws 2018, is amended to read:

7 **“Sec. 26.** Sections 13 to 16 [of this 2018 Act], chapter 103, Oregon Laws 2018, are repealed on
8 [January 2, 2024] **June 30, 2025.**

9 **“SECTION 7.** Notwithstanding any other law limiting expenditures, the limitation on
10 expenditures established by section 3, chapter 379, Oregon Laws 2021, for the biennium end-
11 ing **June 30, 2023**, as the maximum limit for payment of expenses from fees, moneys or other
12 revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds,
13 collected or received by the Oregon Criminal Justice Commission, is increased by \$4,500,000
14 for financial assistance to community-based organizations for the purposes described in
15 section 13, chapter 103, Oregon Laws 2018.

16 **“SECTION 8.** (1) The Department of Revenue shall make a one-time transfer of
17 \$25,000,000 to the cities of this state as follows:

18 **“(a)** Seventy-five percent of the \$25,000,000 must be transferred in shares that reflect the
19 population of each city of this state that is not exempt from this subsection pursuant to
20 subsection (3)(a) of this section compared to the population of all cities of this state that are
21 not exempt from this subsection pursuant to subsection (3)(a) of this section, as determined
22 by Portland State University under ORS 190.510 to 190.610, on the date immediately preceding
23 the date of the transfer; and

24 **“(b)** Twenty-five percent of the \$25,000,000 must be transferred in shares that reflect the
25 number of licenses held pursuant to ORS 475C.065, 475C.085, 475C.093 and 475C.097 on the last
26 business day of the calendar quarter preceding the date of the transfer for premises located
27 in each city compared to the number of licenses held pursuant to ORS 475C.065, 475C.085,
28 475C.093 and 475C.097 on the last business day of that calendar quarter for all premises in
29 this state located in cities.

30 **“(2)** The department shall make a one-time transfer of \$25,000,000 to counties as follows:

31 **“(a)** Fifty percent of the \$25,000,000 must be transferred in shares that reflect the total
32 commercially available area of all grow canopies associated with marijuana producer licenses
33 held pursuant to ORS 475C.065 on the last business day of the calendar quarter preceding the
34 date of the transfer for all premises located in each county compared to the total commer-
35 cially available area of all grow canopies associated with marijuana producer licenses held
36 pursuant to ORS 475C.065 on the last business day of that calendar quarter for all premises
37 located in this state; and

38 **“(b)** Fifty percent of the \$25,000,000 must be transferred in shares that reflect the num-
39 ber of licenses held pursuant to ORS 475C.085, 475C.093 and 475C.097 on the last business day
40 of the calendar quarter preceding the date of the transfer for premises located in each
41 county compared to the number of licenses held pursuant to ORS 475C.085, 475C.093 and
42 475C.097 on the last business day of that calendar quarter for all premises in this state.

43 **“(3)(a)** A city that has an ordinance prohibiting the establishment of a premises for which
44 issuance of a license under ORS 475C.065, 475C.085, 475C.093 or 475C.097 is required is not
45 eligible to receive transfers of moneys under subsection (1) of this section.

1 “(b) A county that has an ordinance prohibiting the establishment of a premises for
2 which issuance of a license under ORS 475C.065 is required is not eligible to receive transfers
3 of moneys under subsection (2)(a) of this section.

4 “(c) A county that has an ordinance prohibiting the establishment of a premises for
5 which issuance of a license under ORS 475C.085, 475C.093 or 475C.097 is required is not eligible
6 to receive transfers of moneys under subsection (2)(b) of this section.

7 “(d)(A) Paragraphs (b) and (c) of this subsection do not apply to a county ordinance
8 adopted on or after January 1, 2018, that prohibits the establishment of a premises for which
9 a license under ORS 475C.065, 475C.085, 475C.093 or 475C.097 is required but allows in the
10 unincorporated area of the county the continued operation of an existing premises for which
11 a license under ORS 475C.065, 475C.085, 475C.093 or 475C.097 is required.

12 “(B) A county that adopts an ordinance described in subparagraph (A) of this paragraph
13 shall certify the adoption of the ordinance in the manner provided in ORS 475C.726 (6).

14 “SECTION 9. Section 8 of this 2022 Act is repealed on June 30, 2023.

15 “SECTION 10. There is appropriated to the Department of Revenue, for the biennium
16 ending June 30, 2023, out of the General Fund, the amount of \$50,000,000 for the purpose of
17 carrying out the provisions of section 8 of this 2022 Act.

18 “SECTION 11. This 2022 Act being necessary for the immediate preservation of the public
19 peace, health and safety, an emergency is declared to exist, and this 2022 Act takes effect
20 on its passage.”.

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