

Requested by Representative STARK

**PROPOSED AMENDMENTS TO
HOUSE BILL 4010**

1 On page 1 of the printed bill, delete lines 4 through 28 and delete page
2 2 and insert:

3 **“SECTION 1. Sections 2 to 7 of this 2022 Act shall be known and
4 may be cited as the Oregon Kratom Consumer Protection Act.**

5 **“SECTION 2. As used in sections 2 to 7 of this 2022 Act:**

6 **“(1) ‘Kratom product’ means a food, food product, food ingredient,
7 dietary ingredient, dietary supplement or beverage for human con-
8 sumption containing any part of the leaf of the plant *Mitragyna*
9 *speciosa*.**

10 **“(2) ‘Processor’ means a person that sells, distributes or exposes for
11 sale kratom products on a wholesale basis to a retailer.**

12 **“(3) ‘Retailer’ means a person that sells, distributes or exposes for
13 sale kratom products to individuals for personal consumption.**

14 **“SECTION 3. (1) A processor may not sell, distribute or expose for
15 sale a kratom product prior to registering with the Department of
16 Revenue under section 7 of this 2022 Act.**

17 **“(2) A processor that violates subsection (1) of this section is sub-
18 ject to a civil penalty of not more than \$500 for the first offense and
19 not more than \$1,000 for a second or subsequent offense.**

20 **“(3) Except as otherwise provided by state tax law or the depart-
21 ment by rule or order, a civil penalty imposed under this section may**

1 be appealed as a contested case proceeding under ORS chapter 183.

2 **“SECTION 4. (1) A retailer may not sell, distribute or expose for**
3 **sale a kratom product to an individual under 21 years of age.**

4 **“(2) A retailer that violates subsection (1) of this section is guilty**
5 **of a Class C misdemeanor for each violation.**

6 **“SECTION 5. The Department of Revenue shall deposit all moneys**
7 **collected under sections 3 and 7 of this 2022 Act in a suspense account**
8 **established under ORS 293.445. The department may pay expenses for**
9 **the administration and enforcement of sections 2 to 7 of this 2022 Act**
10 **with moneys from the suspense account. The department shall pay**
11 **refunds, if any, with moneys in the suspense account. Moneys neces-**
12 **sary to pay administrative and enforcement expenses and refunds are**
13 **continuously appropriated to the department from the suspense ac-**
14 **count.**

15 **“SECTION 6. Except as otherwise provided or where the context**
16 **requires otherwise, the provisions of ORS chapters 305 and 314 as to**
17 **the determination and notice of deficiencies, assessments, collections,**
18 **liens, delinquencies, claims for refund and refunds, stays of collection**
19 **pending appeal, confidentiality of registration and the related civil**
20 **penalties, and the related procedures, apply to the determination of**
21 **civil penalties imposed under section 3 of this 2022 Act and registration**
22 **fees imposed under section 7 of this 2022 Act.**

23 **“SECTION 7. (1) The Department of Revenue shall adopt rules**
24 **necessary to carry out sections 2 and 3 of this 2022 Act, including rules**
25 **establishing:**

26 **“(a) Procedures for a processor to register annually with the de-**
27 **partment, including a requirement that a processor certify that all of**
28 **the kratom products the processor will sell, distribute or expose for**
29 **sale are third-party tested to satisfy industry standards for**
30 **adulteration;**

1 **“(b) A reasonable registration fee to be paid to the department by**
2 **a processor to support the administration and enforcement of sections**
3 **2 to 7 of this 2022 Act; and**

4 **“(c) Any other requirements the department deems appropriate.**

5 **“(2) Fees collected under subsection (1) of this section may not ex-**
6 **ceed the cost to administer and enforce sections 2 to 7 of this 2022 Act.**

7 **“SECTION 8. (1) Sections 2 to 7 of this 2022 Act become operative**
8 **on July 1, 2023.**

9 **“(2) The Department of Revenue may take any action before the**
10 **operative date specified in subsection (1) of this section that is neces-**
11 **sary to enable the department to exercise, on and after the operative**
12 **date specified in subsection (1) of this section, all of the duties, func-**
13 **tions and powers conferred on the department by sections 2 to 7 of this**
14 **2022 Act.**

15 **“SECTION 9. In addition to and not in lieu of any other appropri-**
16 **ation, there is appropriated to the Department of Revenue, for the**
17 **biennium ending June 30, 2023, out of the General Fund, the amount**
18 **of \$_____, for implementing the Oregon Kratom Consumer Protection**
19 **Act.**

20 **“SECTION 10. This 2022 Act takes effect on the 91st day after the**
21 **date on which the 2022 regular session of the Eighty-first Legislative**
22 **Assembly adjourns sine die.”.**

23 _____